FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1558404-000

Total Deleted Page(s) = 69
Page 218 ~ b6; b7C;
Page 219 ~ b6; b7C;
Page 220 ~ b6; b7C;
Page 221 ~ b6; b7C;
Page 222 ~ b6; b7C; b7E;
Page 223 ~ b6; b7C;
Page 224 ~ b6; b7C;
Page 225 ~ b6; b7C;
Page 226 ~ b6; b7C;
Page 227 ~ b6; b7C;
Page 228 ~ b6; b7C;
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Page 234 ~ Duplicate;
Page 244 ~ b6; b7C;
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Page 248 ~ b6; b7C;
Page 252 ~ Duplicate;
Page 255 ~ b6; b7C;
Page 265 ~ Duplicate;
Page 266 ~ Duplicate;
Page 270 ~ b6; b7C;
Page 280 ~ Duplicate;
Page 286 ~ b6; b7C;
Page 287 ~ b6; b7C;
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Page 289 ~ b6; b7C;
Page 290 ~ b6; b7C;
Page 291 ~ b6; b7C;
Page 292 ~ b6; b7C;
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Page 312 ~ Duplicate;
Page 313 ~ Duplicate;
Page 314 ~ Duplicate;
Page 315 ~ Duplicate;
Page 316 ~ Duplicate;
Page 317 ~ Referral/Direct;
Page 318 ~ Referral/Direct;
Page 319 ~ Referral/Direct;
Page 320 ~ Referral/Direct;
Page 321 ~ Referral/Direct;
Page 322 ~ Referral/Direct;
Page 323 ~ Referral/Direct;
Page 324 ~ Referral/Direct;
Page 325 ~ Referral/Direct;

U.S. Department of Justice

United States Attorney

Eastern District of Tennessee

Post Office Box 872
Knoxville, Tennessee 37901
615 / 673-4561 FTS / 854-4561

Field Offices:
1110 Market Street, Suite 301
Chattanooga, Tennessee 37402
615 / 266-0121 FTS / 852-8211

103 West Summer St.
Greeneville, Tennessee 37743
615 / 639-6759 FTS / 222-1259

December 23, 1991

Special Agent [redacted]
Federal Bureau of Investigation
Suite 540, 633 Chestnut Street
Chattanooga, TN 37450

b6
b7C

RE: [redacted]

Dear [redacted]:

b5
b6
b7C

After careful consideration, we have concluded that prosecution of the above-referenced matters must be declined due to [redacted]

Under cover of this letter, please find documents which you furnished to our office for your files or disposal. We have closed our file.

Very truly yours,

JERRY G. CUNNINGHAM
United States Attorney

[redacted]

b6
b7C

Legal Secretary

Enclosure

1942-215 Sub.E-68

[redacted]

b6
b7C

CHATT. SSRA [redacted] ials

[redacted]

A

Memorandum

To : SAC, KNOXVILLE (194C-215 SUB E) (P) Date 2/15/90

From : SA [redacted] b6 b7C b7E

Subject: [redacted]

On February 7, 1990, Assistant United States Attorney [redacted] advised that [redacted] had changed his mind regarding a trial and his attorney, [redacted] states [redacted] is now willing to enter guilty pleas to gambling and tax charges. b6 b7C

With regard to [redacted] a subpoena was served on [redacted] requesting [redacted] b3 b6 b7C

LEAD

KNOXVILLE DIVISION

AT CHATTANOOGA, TENNESSEE

Will report prosecutive action. Investigation continuing.

[redacted]

194C-215 Sub E-43

SEARCHED [redacted] ED
SERIALIZED [redacted]
FEB 15 199[redacted]

[redacted] b6 b7C

CHATT. SSRA [redacted]

1*

Memorandum

To : SAC, KNOXVILLE (194C-215 SUB B) (P) Date 2/15/90

From : SA [redacted] b6 b7C b7E

Subject: [redacted]

On February 5, 1990, Assistant United States Attorney (AUSA) [redacted] advised writer that [redacted] b5 b6 b7C

[redacted] He advised that [redacted]

[redacted] It is noted that [redacted]

[redacted]

AUSA [redacted] advised that [redacted] b5 b6 b7C

[redacted]

LEAD

KNOXVILLE DIVISION

AT CHATTANOOGA, TENNESSEE

Will report prosecutive action. Investigation continuing.

1 - 194C-215
2 - 194C-215 Sub B
(1) - 194C-215 Sub E
1 - 194C-215 Sub J
[redacted]

194C-215 Sub E - 44

SEARCHED [redacted]
SERIALIZED
FEB 15 1990
[redacted] b6 b7C

CHATT. SSRA [redacted] 1*
Initials

(F)

194C-215 Sub E

[redacted]

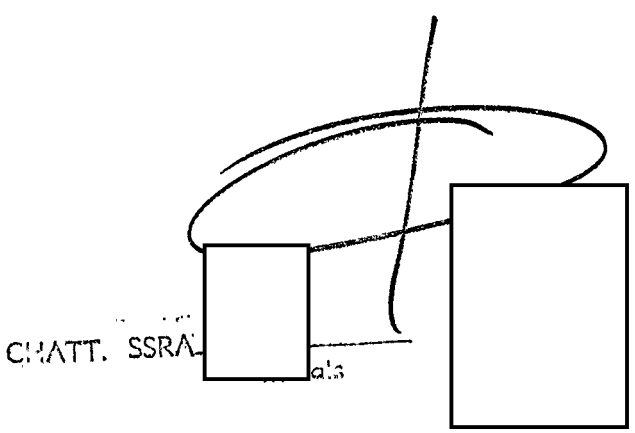
b6
b7C

1

On February 7, 1990, [redacted] verified the following information for SA [redacted]

b6
b7C
b7D
b7E

[redacted]



194Q-215-E-45

SERIALIZE[redacted]

FEB 26 1990

b6
b7C

[redacted]

[redacted] Initials

Indexing copy

194C-215 Sub F-46

[redacted]

b6
b7C

2,3,4,5

FD-302 (Rev. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/26/90

[redacted] voluntarily appeared at the Chattanooga office of the FEDERAL BUREAU OF INVESTIGATION where he was interviewed by Special Agent [redacted] advised as follows: b6 b7C b7E

He graduated from high school in [redacted] and traveled to Knoxville, Tennessee, where he began working at a bingo hall on Alcoa Highway owned by [redacted] In June of 1982, [redacted] asked him to come to Chattanooga to work at the AMVETS bingo hall on 50th Street. Here, he worked for [redacted] who was operating the bingo hall for [redacted] as a floor worker earning $150 per week. He was paid in cash. [redacted] told [redacted] that one day he would be the operator in charge of a bingo game after he learned about the operation. [redacted] was the bookkeeper for the AMVETS bingo game. [redacted] and [redacted] also worked at this bingo game. [redacted] and [redacted] were in charge of this game when [redacted] was not there. For a period of time, [redacted] was in Texas, near Pasadena. [redacted] also went to Texas to assist [redacted] for a few months. b6 b7C

At the AMVETS bingo game, [redacted] counted the money and wrote checks, and [redacted] made the deposits. He held out some money for [redacted] and [redacted] would come to Chattanooga from Sumter, South Carolina, to collect his money. He held out as much money as possible for [redacted] Only enough money was deposited to pay the bills. He met [redacted] at the HOWARD JOHNSON motel most of the time and he would arrive about once a month. On one occasion, he gave [redacted] $20,000 to $30,000, however, on other occasions, he was able to deliver to [redacted] only $10,000 to $12,000. b6 b7C

[redacted] pay went from $150 per week to $250 per week, and later to $500. b6 b7C

He was told by [redacted] and [redacted] at the beginning that the workers at the bingo games were not supposed to be paid. b6 b7C

Investigation on 3/13/90 at Chattanooga, Tennessee File # KX 194C-212 Sub B

by SA [redacted] Date dictated 3/19/90 b6 b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

b6
b7C

[redacted] was making $250 to $300 per week in cash and check. [redacted] knew money was going to [redacted] from the bingo game.

He opened a bank account in the name of [redacted] at FIRST TENNESSEE BANK in Chattanooga into which was deposited funds from the snack bar and some bingo money. A few people were paid out of this account; [redacted]

After about a year or so, the AMVETS bingo game moved to 4810 Rossville Boulevard, but the 50th Street location remained in operation for a period of time. The charter for the BLACK VETERANS was used at 4810 Rossville Boulevard, and later the charters used were the FRATERNAL ORDER OF FIREFIGHTERS (FOF) and the CARPETBAG THEATER (CBT). With regard to the BLACK VETERANS, [redacted] was paid $1,000 to $1,200 per month by check for use of this charter. [redacted] also paid [redacted] $1,000 to $1,200 every two months only because [redacted] told him to pay [redacted] was paid $500 in cash every month for each charter in use for the BINGO ASSOCIATION dues. Also, on a few occasions, [redacted] was paid $500 in cash. [redacted] was also paid $800 per month for the use of the FOF charter. [redacted] had instructed [redacted] to make this payment also. Two sets of books were kept for the FOF and CBT bingo games. The true set of books was destroyed.

After July 1, 1986, the bingo workers were paid by check, however, [redacted] became upset because of the payroll taxes. Because of this, the workers were then paid by check and cash.

[redacted] was aware some of the bingo workers lived in Georgia, which was a violation of the Tennessee state bingo laws. He instructed them to use Tennessee addresses. Either he or [redacted] told the employees about the one-year membership requirement in the sponsoring organization by the State of Tennessee.

When the FOF charter ran out of the time in which it could sponsor a bingo game, [redacted] called [redacted] and requested a charter. [redacted] provided the CBT charter for which [redacted] was paid $1,000 per month in cash. He delivered this money to [redacted] and sometimes [redacted] would come by the bingo hall and collect his money. The $5,000 monthly rent for the bingo hall was paid to [redacted] a company [redacted] The building at 4810 Rossville Boulevard was financed for $1,400 to $1,500 per month.

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Regarding the SCLERADERMA bingo game operated by [redacted] on Access Road in Chattanooga, he said he helped [redacted] set this game up in 1985 at the direction of [redacted] was also involved in this bingo game. [redacted] received $150 per week from this game which was paid to him by check. [redacted] also sent [redacted] to Access Road to help [redacted] run this bingo hall. [redacted] received money out of this game through [redacted] was getting sponsorship money from this game. [redacted] made BINGO ASSOCIATION dues payments for the SCLERDERMA bingo game. He also took money out of this game and gave it to [redacted] on a few occasions - $2,000 to $5,000 on three to five occasions. [redacted] when transporting money to [redacted] would usually meet [redacted] at LOVELL FIELD, the airport in Chattanooga. [redacted] used to have a Beechcraft Baron twin-engine airplane, however, he has since sold this airplane.

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Sometime around 1986, month and date unknown, in Sumter, South Carolina, [redacted] mentioned to [redacted] that [redacted] needed a job. [redacted] was hired over [redacted] objections, but they later became friends. [redacted] worked at the bingo hall on Rossville Boulevard after being trained by [redacted] He was paid $200 to $300 per week; [redacted] probably paid him. [redacted] was there about six months before the Beta Sigma Phi (BSP) bingo game opened in Red Bank, Tennessee. [redacted] began by selling "pull tabs" and later became a caller at the Rossville Boulevard bingo hall.

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[redacted] told [redacted] a bingo game was for sale in Red Bank, and later he met with [redacted] and [redacted] at the WAFFLE HOUSE in Red BAnk to discuss the sale. The purchase price was $70,000 or $75,000 (he is not sure about the exact price) and all the bingo equipment and furniture were to stay with the hall. The BSP charter was there under which a bingo game could operate. [redacted] told [redacted] about this deal, and [redacted] was all in favor. [redacted] gave [redacted] the cash for the purchase. He brought $70,000 to $75,000 cash to Chattanooga. [redacted] met [redacted] at the BSP bingo hall on Dayton Boulevard in Red Bank and gave him the first payment of $35,000 cash. He believed [redacted] and [redacted] were partners in this game. He took the second payment to [redacted] and [redacted] and gave the money to [redacted] After the transaction, [redacted] stayed and asked [redacted] if he could be a partner with [redacted] He refused [redacted] proposition.

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[redacted] ran the BSP bingo game for [redacted] and [redacted] They paid BSP between $800 and $1,200 per month to rent the charter. [redacted] brought the money from this game to [redacted] and [redacted] would make out the deposit slips. Only $20,000 to $30,000 was paid back to [redacted] from this game. [redacted] was paid $400 per week in salary by check and cash. On one occasion [redacted] took money directly to [redacted] and once, [redacted] met [redacted] at the Chattanooga airport.

In 1987, [redacted] made $10,000 to $15,000 from the LIONS CLUB bingo game operated by [redacted] on Rossville Boulevard.

After leaving Chattanooga, [redacted] worked for a while at the Cherokee Indian Reservation in Cherokee, North Carolina, selling bingo paper to the Indians. He also worked at the Cherokee bingo game operated by [redacted] He worked Friday nights and all day on Saturdays and was paid $100. He is unaware of [redacted] connection with this bingo game. He now works for [redacted] in South Carolina at the ALL AMERICAN MANUFACTURING COMPANY, a manufacturer of bingo paper.

He is not knowledgeable regarding other business dealings of [redacted]

[redacted] did not operate any bingo halls other than those mentioned. [redacted] on one occasion, did send him and some of his bingo employees to Memphis to work at a bingo hall there for a day or two. He does not recall the name of this bingo operation. [redacted] did not run the game for [redacted] but worked there for a day or two.

Regarding [redacted] who still resides in [redacted] he said he has a nice home valued at about $300,000, and a 1987 or 1988 Lincoln automobile and [redacted] has a 1985 or 1986 Astro van. [redacted] also owns a 26-foot Chris Craft cabin cruiser and a farm in [redacted] consisting of 75 acres with horses.

[redacted] stated he is willing to cooperate fully with the FBI [redacted] in their investigation of the illegal bingo operations. He also advised he will testify to all facts within his knowledge.

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KX 194C-212 Sub B

 b6 b7C

The following is descriptive data regarding [redacted] b6 b7C

Full Name
Race
Sex
Date of Birth
Place of Birth
Social Security Number
Hair
Eyes
Height
Weight
Address

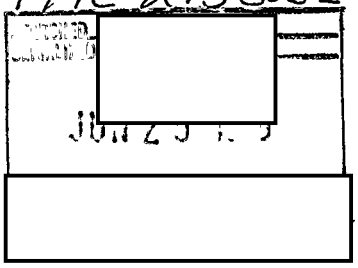
Spouse
Employer

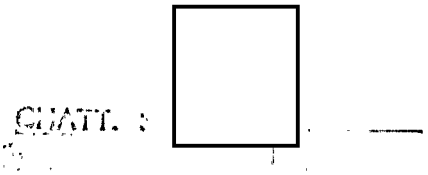
Position
Military Service
Driver's License

[redacted]

194C-215866-47

b6
b7C





FD-515 (Rev.9-20-89)

Accomplishment Report

(Effective 10/1//89)

(Submit within 30 days from date of accomplishment)

TO: **Director, FBI**

FROM: **SAC,** KNOXVILLE

SUBJECT:

[redacted]

Bureau File Number: [redacted]

Field Office File Number: 194C-215 Sub E

Squad or RA Number: 4710

Agent's Social Security No.: [redacted]

☒ X if case involves corruption of a public official (Federal, State or Local).

Date 6/26/90

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:

1 = Used, but did not help 3 = Helped, substantially

2 = Helped, but only minimally 4 = Absolutely essential

1. Acctg Tech Assistance Rating	8. Eng. Sect. Tape Exams Rating	15. Photographic Coverage Rating	22. Telephone Toll Recs Rating
2. Aircraft Assistance	9. Hypnosis Assistance	16. Polygraph Assistance	23. UCO Group I
3. Computer Assistance	10. Ident Div Assistance	17. Search Warrants Executed	24. UCO Group II
4. Consensual Monitoring	11. Informant Information	18. Show Money Usage	25. UC Other
5. ELSUR - FISC	12. Lab Div Exams	19. Surveil. Sqd. (SOG) Asst	26. NCAVC/ VI-CAP
6. ELSUR - Title III	13. Lab Div Field Support	20. SWAT Team Action	27. Visual Invest - Analysis (VIA)
7. Eng. Sect. Field Support	14. Pen Registers	21. Tech. Agt. or Tech Equip	

b6
b7C
b7E

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments
	1	

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted _____ ; Armed _____

Subpoenas Served _____

Criminal Summons _____

Local Crim. Summons _____

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists _____; All Other Hostage Situations _____

Missing or Kidnaped Children Located _____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions _____ No. of Subj.

Civil Suits Amount of Suit / Settlement or Award

Government Defendant	Government Plaintiff
$	$
$	$ Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 Subject Description Code* -

☐ Suspension ☐ Debarment — Time Frame: Years _____ Months _____ ☐ Permanent

Subject 2 Subject Description Code* -

☐ Suspension ☐ Debarment — Time Frame: Years _____ Months _____ ☐ Permanent

H. Final Judicial Process: Judicial District _____ (District / State) Conviction or Pretrial Div. Date _____ Sentence Date _____ No. of Subjects _____ Acquitted _____ Dismissed

SEARCHED
SERIALIZED
INDEXED
FILED

Subject 1 Subject Description Code* -

☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation

☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs. Mos.	Suspended Yrs. Mos.	Probation Yrs. Mos.
			Total Fines $		
			Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.		

Subject 2 Subject Description Code* -

☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation

☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs. Mos.	Suspended Yrs. Mos.	Probation Yrs. Mos.
			Total Fines $		
			Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.		

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final disposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.)

194C-215 Sub E-10

On 6/25/90, [redacted] b6 b7C entered guilty plea to a 2-count Bill of Information charging violation of T18, USC, Sec. 1955, and T26, USC, Sec. 7206(1) in USDC, EDT, Chattanooga, TN. [redacted] was released on $10,000 OR bond and sentencing was set for 8/27/90.

Credits: SA [redacted] - One Bill of I[illegible]ion

2 - Bureau
1 - Memphis (194C-407) (Info)
(2) - Knoxville (1 - 194C-215 Sub E) (1 - 66-154B)

CHATT. SSR [redacted] Initials

[redacted]

(5)

Property Type Codes*

Code No	Description
1.	Cash (U.S. and foreign currency)
2.	Stock, Bonds or Negotiable instruments (checks, travelers checks, money orders, certificates of deposit, etc)
3.	General Retail Merchandise (clothing, food, liquor, cigarettes, TVs, etc)
4.	Vehicles (autos, trucks, tractors, trailers, campers, motorcycles, etc)
5.	Heavy Machinery & Equipment (heavy equipment, computers, etc)
6.	Aircraft
7.	Jewelry (including unset precious and semiprecious stones)
8.	Vessels
9.	Art, Antiques or Rare Collections
11.	Real Property
20.	All Other Recoveries (not falling in any category above)

Potential Economic Loss Prevented (PELP) Type Codes*

Code No	Description
22	Counterfeit Stocks, Bonds, Currency or Negotiable Instruments
23	Counterfeit or Pirated Sound Recordings or Motion Pictures
24	Bank Theft Scheme Aborted
25	Ransom, Extortion or Bribe Demand Aborted
26	Theft from, or Fraud Against, Government Scheme Aborted
27	Commercial or Industrial Theft Scheme Aborted
30	All Other Potential Economic Loss Prevented (not falling in any category above)

*Except for cash, the Remarks section must contain an explanation of the computation of the recovery value or loss prevented. An explanation airtel must accompany this report if the recovery is $1 million or more, or if the PELP is $5 million or more.

Subject Description Codes*

- Enter Description Code Only When Reporting a Conviction -

Organized Crime Subjects (Include Family Name Or Group):
- 1A Boss, Underboss or Consigliere
- 1B Capodecina or Soldier
- 1C Possible LCN Member or Associate
- 1D OC Subject Other Than LCN
- 1E Not a Member or Associate of LCN Family or OC Organization

Known Criminals (Other Than OC Members):
- 2A Top Ten or I.O. Fugitive
- 2B Top Thief
- 2C Top Con Man

Foreign Nationals:
- 3A Legal Alien
- 3B Illegal Alien
- 3C Foreign Official Without Diplomatic Immunity
- 3D U.N. Employee Without Diplomatic Immunity
- 3E Foreign Students
- 3F All Others

Terrorists:
- 4A Known Member of a Terrorist Organization
- 4B Possible Terrorist Member or Sympathizer

Union Members:
- 5A International or National Officer
- 5B Local Officer
- 5C Union Employee

Government Officials Or Employees:

Federal	State	Local
6A Presidential Appointee	6J Governor	6R Mayor
6B U.S. Senator	6K Lt. Governor	
6C U.S. Representative	6L Legislator	6S Legislator
6D Judge	6M Judge	6T Judge
6E Prosecutor	6N Prosecutor	6U Prosecutor
6F Law Enforcement Officer	6P Law Enforcement Officer	6V Law Enforcement Officer
6G Fed Empl - GS 13 & above	6Q All Others - State	6W All Others - Local
6H Fed Empl - GS 12 & below		

Bank Officers or Employees:
- 7A Bank Officer
- 7B Bank Employee

All Others:
- 8A All Other Subjects (not fitting above categories)
- 8B Company / Corporation

*If a subject can be classified in more than one of the categories, select the most appropriate in the circumstance.

Instructions

Subject Priorities for FBI Arrest or Locates:

A - Subject wanted for crimes of violence (i.e. murder, manslaughter, forcible rape, robbery and aggravated assault) or convicted of such crimes in the past five years.

B - Subjects wanted for crimes involving the loss or destruction of property valued in excess of $25,000 or convicted of such crimes in the past five years.

C - All others

Claiming Non-Federal Arrests, Summonses, Recoveries or Convictions:

It is permissible to claim a local arrest, summons, recovery or conviction **if the FBI significantly contributed to the accomplishment.** A succinct narrative setting forth the basis for the claim must accompany this report. When claiming a local recovery, enter the word "LOCAL" to the right of the amount. Enter "LF" in the "In-Jail" block for all life sentences and "CP" for capital punishment sentences.

Reporting Convictions:

Convictions should not be reported until the sentence has been issued. There are two exceptions to this rule. The conviction information can be submitted by itself if:

1. The subject becomes a fugitive after conviction but prior to sentencing.
2. The subject dies after conviction but prior to sentencing.

An explanation is required in the Remarks section for either of the above exceptions.

Rule 20 Situations:

The field office that obtained the process (normally the office of origin) is the office that should claim the conviction, **not** the office where the subject enters the plea in cases involving Rule 20 of the Federal Rules of Criminal Procedures.

Investigative Assistance or Techniques (IA/Ts) Used:

-Since more than one IA/T could have contributed to the accomplishment, each IA/T used must be rated.

-The IA/T used must be rated **each time** an accomplishment is claimed. (For example - if informant information was the basis for a complaint, an arrest, a recovery and a conviction and if separate FD-515s are submitted for each of the aforementioned accomplishments, the "Informant Information" block must be rated on each FD-515 even if it was the same information that contributed to all the accomplishments.)

Race Codes:

C = Chinese; I = Indian/American; J = Japanese; N = Negro; O = All other; U = Unknown; W = White

*U.S. Government Printing Office: 1990-262-209/08033

Memorandum

To : SAC, KNOXVILLE (194C-215 SUB E) (P) Date 6/26/90

From : SA [redacted] b6 b7C b7E

Subject: [redacted]

Several conferences have been held during May and June, 1990, at the U. S. Attorney's office, Chattanooga, Tennessee, with AUSA's [redacted] and [redacted] also present were [redacted] and writer. These meetings were with regard to

[redacted] b5 b6 b7C b7E

LEAD

KNOXVILLE DIVISION

AT CHATTANOOGA, TENNESSEE:

Will follow and report results of prosecution.

2-194C-215 SUB E
2-194C-215 SUB F
2-194C-215 SUB H
2-194C-215 SUB L
[redacted]
(8)

1*

194C-215 SUB E-49
SEARCHED [redacted]
JUN [redacted]
[redacted] b6 b7C

CHATT. SSRA [redacted]
Initials

(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state.)

THE CHATTANOOGA TIMES
CHATTANOOGA, TENNESSEE

Date: 6/26/80

Edition:

PAGE 1

Title:

Character:
or
Classification: 194C-215 Sub E

Submitting Office: KNOXVILLE

Indexing:

Red Bank official enters guilty plea in bingo probe

By Dick Kopper
The Chattanooga Times

A Red Bank man pleaded guilty Monday to operating an illegal bingo gambling operation and to filing a false tax return that omitted "in excess of $200,000" that was his share of the gross receipts of the game in 1987.

Gary D. Jackson, 45, who has been the city of Red Bank's director of public works since 1985, admitted his guilt during a hearing before U.S. District Judge R. Allan Edgar.

Jackson is the 36th person to be charged or convicted in the ongoing, statewide U.S. Internal Revenue Service-FBI probe into illegal bingo gambling and the industry's ties with corrupt state officials.

The charges against Jackson, of 104 North Cliff Lane, stemmed from an illegal bingo game the government said he operated under the charter of the Knights of Pythias, Park Lodge 75, between October 1983 and March 1987.

According to state records, the game operated at 3615 Dayton Blvd.

Bingo in any form has since been ruled illegal gambling under state law. At the time Jackson was operating his game, the law allowed an exemption for charitable groups.

But the law put various restrictions on how the games could operate. At one point, the law prohibited any member of the sponsoring

— John Kotlowski/The Chattanooga Times

Gary D. Jackson

organization from being paid for his work. After 1986, such members could be paid, but no more than the

See BINGO, A10

194C-215 Sub E 50

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b7C

Bingo

Continued from A1

federal minimum wage.

Assistant U.S. Attorney John MacCoon told Edgar that workers in Jackson's game were paid in cash when the law prohibited such payments. And MacCoon said after minimum wage payments were allowed, workers were paid illegal cash payments in excess of the minimum wage.

MacCoon said Jackson failed to include "in excess of $200,000" that was his share of the game's receipts on his 1987 tax returns.

MacCoon said Jackson's partner in the game was an individual named Sammy McDowell. Asked whether McDowell will be charged, MacCoon declined to comment.

In March 1987, MacCoon said, Jackson and McDowell sold their operation to Dewayne Bohannon, another bingo figure who pleaded guilty here March 13 in a scheme to operate another illegal game here between 1985 and 1987.

Jackson entered his plea in an agreement with the government in which he is subject to up to a one-year sentence on the bingo gambling count and would receive a sentence in the lower third of what sentencing guidelines call for on the tax count.

The government also agreed that if Edgar chooses, he may sentence Jackson to less than the guidelines call for. The agreement leaves it to Edgar to decide what fine, if any, Jackson must pay.

"Are you offering to plead guilty because you are guilty?" Edgar asked Jackson.

"Yes sir," Jackson replied.

Edgar said that if he accepts the agreement, he will sentence Jackson on Aug. 27.

Edgar allowed Jackson to remain free after he signed a $10,000 bond.

Red Bank Mayor Ronnie Moore and City Manager Jerry Robinson could not be reached for comment on Jackson's status with the city of Red Bank.

After Monday's hearing, Jackson declined to comment. "This has nothing to do with Red Bank city government," he said.

FD-515 (Rev.9-20-89)

Accomplishment Report

(Effective 10/1//89)

(Submitt within 30 days from date of accomplishment)

TO: Director, FBI

Date 9/6/90

FROM: SAC, KNOXVILLE (P)

SUBJECT:

	Bureau File Number
194C-215 Sub E	Field Office File Number
4710	Squad or RA Number
	Agent's Social Security No.

☒ X if case involves corruption of a public official (Federal, State or Local) LOCAL

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:

1 = Used, but did not help 3 = Helped, substantially

2 = Helped, but only minimally 4 = Absolutely essential

1. Acctg Tech Assistance Rating	8. Eng. Sect. Tape Exams Rating	15. Photographic Coverage Rating	22. Telephone Toll Recs Rating
2. Aircraft Assistance	9. Hypnosis Assistance	16. Polygraph Assistance	23. UCO Group I
3. Computer Assistance	10. Ident Div Assistance	17. Search Warrants Executed	24. UCO Group II
4. Consensual Monitoring	11. Informant Information	18. Show Money Usage	25. UC Other
5. ELSUR - FISC	12. Lab Div Exams	19. Surveil. Sqd. (SOG) Asst	26. NCAVC/ VI-CAP
6. ELSUR - Title III	13. Lab Div Field Support	20. SWAT Team Action	27. Visual Invest - Analysis (VIA)
7. Eng. Sect. Field Support	14. Pen Registers	21. Tech. Agt. or Tech Equip	

b6 b7C b7E

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

Subpoenas Served _____

Criminal Summons _____

Local Crim. Summons _____

FBI Subj. Resisted _____ ; Armed _____

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists _____; All Other Hostage Situations _____

Missing or Kidnaped Children Located _____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions _____ No. of Subj.

Civil Suits Amount of Suit	Government Defendant $	Government Plaintiff $
Settlement or Award	$	$ Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 Subject Description Code* -

☐ Suspension ☐ Debarment

Time Frame: Years _____ Months _____ ☐ Permanent

Subject 2 Subject Description Code* -

☐ Suspension ☐ Debarment

Time Frame: Years _____ Months _____ ☐ Permanent

H. Final Judicial Process: Judicial District E, TN (District, State) 6/25/90 (Conviction or Pretrial Div. Date) 8/27/90 (Sentence Date) No. of Subjects _____ Acquitted _____ Dismissed

b7E

Subject 1														
☒ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation	Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.
	18	1955	1	0	6			3	0
☒ Plea ☐ Trial ☐ Pretrial Diversion	26	7206	(1) 1	Total Fines $ 10,643.00					
				Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.					

Subject 2 Subject Description Code* -									
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation	Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.
☐ Plea ☐ Trial ☐ Pretrial Diversion				Total Fines $					
				Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.					

b6 b7C

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final disposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

194C-215 Sub E

On 8/27/90, _____ was sentenced in USDC, ETD, Chattanooga, TN, to six months custody c U.S. Attorney General and three years probation. _____

SERIALIZED _____

CREDIT AND ARREST:

Credit SA _____ EXER _____ me conviction and $10 6 _____ e

FILED _____

2 - Bureau
2 - Field Office
* See codes on reverse side.

1 - Memphis (194C-407) (Information)

(2) Knoxville (1 - 194C-215 Sub E) (1 - 66-154B)

(5)

Property Type Codes*

Code No	Description
1.	Cash (U.S. and foreign currency)
2.	Stock, Bonds or Negotiable instruments (checks, travelers checks, money orders, certificates of deposit, etc)
3.	General Retail Merchandise (clothing, food, liquor, cigarettes, TVs, etc)
4.	Vehicles (autos, trucks, tractors, trailers, campers, motorcycles, etc)
5.	Heavy Machinery & Equipment (heavy equipment, computers, etc)
6.	Aircraft
7.	Jewelry (including unset precious and semiprecious stones)
8.	Vessels
9.	Art, Antiques or Rare Collections
11.	Real Property
20.	All Other Recoveries (not falling in any category above)

Potential Economic Loss Prevented (PELP) Type Codes*

Code No	Description
22	Counterfeit Stocks, Bonds, Currency or Negotiable Instruments
23	Counterfeit or Pirated Sound Recordings or Motion Pictures
24	Bank Theft Scheme Aborted
25	Ransom, Extortion or Bribe Demand Aborted
26	Theft from, or Fraud Against, Government Scheme Aborted
27	Commercial or Industrial Theft Scheme Aborted
30	All Other Potential Economic Loss Prevented (not falling in any category above)

*Except for cash, the Remarks section must contain an explanation of the computation of the recovery value or loss prevented. An explanation airtel must accompany this report if the recovery is $1 million or more, or if the PELP is $5 million or more.

Subject Description Codes*

- Enter Description Code Only When Reporting a Conviction -

Organized Crime Subjects (Include Family Name Or Group):
- 1A Boss, Underboss or Consigliere
- 1B Capodecina or Soldier
- 1C Possible LCN Member or Associate
- 1D OC Subject Other Than LCN
- 1E Not a Member or Associate of LCN Family or OC Organization

Known Criminals (Other Than OC Members):
- 2A Top Ten or I.O. Fugitive
- 2B Top Thief
- 2C Top Con Man

Foreign Nationals:
- 3A Legal Alien
- 3B Illegal Alien
- 3C Foreign Official Without Diplomatic Immunity
- 3D U.N. Employee Without Diplomatic Immunity
- 3E Foreign Students
- 3F All Others

Terrorists:
- 4A Known Member of a Terrorist Organization
- 4B Possible Terrorist Member or Sympathizer

Union Members:
- 5A International or National Officer
- 5B Local Officer
- 5C Union Employee

Government Officials Or Employees:

Federal	State	Local
6A Presidential Appointee	6J Governor	6R Mayor
6B U.S. Senator	6K Lt. Governor	
6C U.S. Representative	6L Legislator	6S Legislator
6D Judge	6M Judge	6T Judge
6E Prosecutor	6N Prosecutor	6U Prosecutor
6F Law Enforcement Officer	6P Law Enforcement Officer	6V Law Enforcement Officer
6G Fed Empl - GS 13 & above	6Q All Others - State	6W All Others - Local
6H Fed Empl - GS 12 & below		

Bank Officers or Employees:
- 7A Bank Officer
- 7B Bank Employee

All Others:
- 8A All Other Subjects (not fitting above categories)
- 8B Company / Corporation

*If a subject can be classified in more than one of the categories, select the most appropriate in the circumstance.

Instructions

Subject Priorities for FBI Arrest or Locates:

A - Subject wanted for crimes of violence (i.e. murder, manslaughter, forcible rape, robbery and aggravated assault) or convicted of such crimes in the past five years.

B - Subjects wanted for crimes involving the loss or destruction of property valued in excess of $25,000 or convicted of such crimes in the past five years.

C - All others

Claiming Non-Federal Arrests, Summonses, Recoveries or Convictions:

It is permissible to claim a local arrest, summons, recovery or conviction **if the FBI significantly contributed to the accomplishment.** A succinct narrative setting forth the basis for the claim must accompany this report. When claiming a local recovery, enter the word "LOCAL" to the right of the amount. Enter "LF" in the "In-Jail" block for all life sentences and "CP" for capital punishment sentences.

Reporting Convictions:

Convictions should not be reported until the sentence has been issued. There are two exceptions to this rule. The conviction information can be submitted by itself if:

1. The subject becomes a fugitive after conviction but prior to sentencing.
2. The subject dies after conviction but prior to sentencing.

An explanation is required in the Remarks section for either of the above exceptions.

Rule 20 Situations:

The field office that obtained the process (normally the office of origin) is the office that should claim the conviction, **not** the office where the subject enters the plea in cases involving Rule 20 of the Federal Rules of Criminal Procedures.

Investigative Assistance or Techniques (IA/Ts) Used:

-Since more than one IA/T could have contributed to the accomplishment, each IA/T used must be rated.

-The IA/T used must be rated **each time** an accomplishment is claimed. (For example - if informant information was the basis for a complaint, an arrest, a recovery and a conviction and if separate FD-515s are submitted for each of the aforementioned accomplishments, the "Informant Information" block must be rated on each FD-515 even if it was the same information that contributed to all the accomplishments.)

Race Codes:

C = Chinese; I = Indian/American; J = Japanese; N = Negro; O = All other; U = Unknown; W = White

☆U.S. Government Printing Office: 1990-262-209/08033

Accomplishment Report
(Effective 10/1//89)
(Submitt within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, KNOXVILLE
SUBJECT:

Bureau File Number: 194C-215 Sub B
Field Office File Number: 4710
Squad or RA Number
Agent's Social Security No.

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 10/16/90

Investigative Assistance or Technique Used
Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

1. Acctg Tech Assistance Rating	8. Eng. Sect. Tape Exams Rating	15. Photographic Coverage Rating	22. Telephone Toll Recs Rating
2. Aircraft Assistance	9. Hypnosis Assistance	16. Polygraph Assistance	23. UCO Group I
3. Computer Assistance	10. Ident Div Assistance	17. Search Warrants Executed	24. UCO Group II
4. Consensual Monitoring	11. Informant Information	18. Show Money Usage	25. UC Other
5. ELSUR - FISC	12. Lab Div Exams	19. Surveil. Sqd. (SOG) Asst	26. NCAVC/ VI-CAP
6. ELSUR - Title III	13. Lab Div Field Support	20. SWAT Team Action	27. Visual Invest - Analysis (VIA)
7. Eng. Sect. Field Support	14. Pen Registers	21. Tech. Agt. or Tech Equip	

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b7C
b7E

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments
	1	

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted _____ ; Armed _____
Subpoenas Served _____
Criminal Summons _____
Local Crim. Summons _____

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)
Hostages Held By Terrorists _____; All Other Hostage Situations _____
Missing or Kidnaped Children Located _____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

		Government Defendant	Government Plaintiff
RICO - Civil Convictions _____ No. of Subj.	Civil Suits Amount of Suit	$	$
	Settlement or Award	$	$ Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 Subject Description Code* -
☐ Suspension ☐ Debarment
Time Frame: Years _____ Months _____ ☐ Permanent

Subject 2 Subject Description Code* -
☐ Suspension ☐ Debarment
Time Frame: Years _____ Months _____ ☐ Permanent

H. Final Judicial Process: Judicial District _____ District _____ State
Conviction or Pretrial Div. Date _____ Sentence Date _____
No. of Subjects _____ Acquitted _____ Dismissed

Subject 1 Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs. Mos.	Suspended Yrs. Mos.	Probation Yrs. Mos.
			Total Fines $		
			Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.		

Subject 2 Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs. Mos.	Suspended Yrs. Mos.	Probation Yrs. Mos.
			Total Fines $		
			Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.		

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.)

194C-215 Sub E-53

On 10/5/90, _____ b6 b7C _____ entered guilty plea in U.S. District Court, Eastern District of Tennessee, Chattanooga, Tennessee, to two-count Bill of Information charging violation of Title 18, U.S. Code, Section 1955, and Title 26, U.S. Code, Section 7206(2). Sentencing date set 1/28/91.

Credits: SA _____ - One Bill of Information

2 - Bureau
1 - Memphis
3 - Knoxville (1 - 194C-215 Sub B) (1 - 194C-215 Sub E)
(1 - 66-154B)
(6)

SEARCHED _____
SERIALIZED _____
INDEXED _____
FILED _____

Property Type Codes*

Code No	Description
1.	Cash (U.S. and foreign currency)
2.	Stock, Bonds or Negotiable instruments (checks, travelers checks, money orders, certificates of deposit, etc)
3.	General Retail Merchandise (clothing, food, liquor, cigarettes, TVs, etc)
4.	Vehicles (autos, trucks, tractors, trailers, campers, motorcycles, etc)
5.	Heavy Machinery & Equipment (heavy equipment, computers, etc)
6.	Aircraft
7.	Jewelry (including unset precious and semiprecious stones).
8.	Vessels
9.	Art, Antiques or Rare Collections
11.	Real Property
20.	All Other Recoveries (not falling in any category above)

Potential Economic Loss Prevented (PELP) Type Codes*

Code No	Description
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23	Counterfeit or Pirated Sound Recordings or Motion Pictures
24	Bank Theft Scheme Aborted
25	Ransom, Extortion or Bribe Demand Aborted
26	Theft from, or Fraud Against, Government Scheme Aborted
27	Commercial or Industrial Theft Scheme Aborted
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- Enter Description Code Only When Reporting a Conviction -

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- 1B Capodecina or Soldier
- 1C Possible LCN Member or Associate
- 1D OC Subject Other Than LCN
- 1E Not a Member or Associate of LCN Family or OC Organization

Known Criminals (Other Than OC Members):
- 2A Top Ten or I.O. Fugitive
- 2B Top Thief
- 2C Top Con Man

Foreign Nationals:
- 3A Legal Alien
- 3B Illegal Alien
- 3C Foreign Official Without Diplomatic Immunity
- 3D U.N. Employee Without Diplomatic Immunity
- 3E Foreign Students
- 3F All Others

Terrorists:
- 4A Known Member of a Terrorist Organization
- 4B Possible Terrorist Member or Sympathizer

Union Members:
- 5A International or National Officer
- 5B Local Officer
- 5C Union Employee

Government Officials Or Employees:

Federal	State	Local
6A Presidential Appointee	6J Governor	6R Mayor
6B U.S. Senator	6K Lt. Governor	
6C U.S. Representative	6L Legislator	6S Legislator
6D Judge	6M Judge	6T Judge
6E Prosecutor	6N Prosecutor	6U Prosecutor
6F Law Enforcement Officer	6P Law Enforcement Officer	6V Law Enforcement Officer
6G Fed Empl - GS 13 & above	6Q All Others - State	6W All Others - Local
6H Fed Empl - GS 12 & below		

Bank Officers or Employees:
- 7A Bank Officer
- 7B Bank Employee

All Others:
- 8A All Other Subjects (not fitting above categories)
- 8B Company / Corporation

*If a subject can be classified in more than one of the categories, select the most appropriate in the circumstance.

Instructions

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B - Subjects wanted for crimes involving the loss or destruction of property valued in excess of $25,000 or convicted of such crimes in the past five years.

C - All others

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Reporting Convictions: Convictions should not be reported until the sentence has been issued. There are two exceptions to this rule. The conviction information can be submitted by itself if:

1. The subject becomes a fugitive after conviction but prior to sentencing.
2. The subject dies after conviction but prior to sentencing.

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Rule 20 Situations: The field office that obtained the process (normally the office of origin) is the office that should claim the conviction, **not** the office where the subject enters the plea in cases involving Rule 20 of the Federal Rules of Criminal Procedures.

Investigative Assistance or Techniques (IA/Ts) Used: Since more than one IA/T could have contributed to the accomplishment, each IA/T used must be rated. The IA/T used must be rated **each time** an accomplishment is claimed. (For example - if informant information was the basis for a complaint, an arrest, a recovery and a conviction and if separate FD-515s are submitted for each of the aforementioned accomplishments, the "Informant Information" block must be rated on each FD-515 even if it was the same information that contributed to all the accomplishments.)

Race Codes: C = Chinese; I = Indian/American; J = Japanese; N = Negro; O = All other; U = Unknown; W = White

*U.S. Government Printing Office: 1990-262-209/08033

(Mount Clipping in Space Below)

Ex-chief of police guilty in tax case

By Dick Kopper
The Chattanooga Times

Former Red Bank Police Chief Ronald E. "Ron" Schroyer pleaded guilty Monday to falsifying his federal tax returns by failing to report more than $57,000 he received from operating a concession stand at an illegal bingo hall there.

Schroyer, 46, is the fourth former area police official and the second person who has had ties to the City of Red Bank to plead guilty in connection with the ongoing "Rocky Top" probe that has focused on illegal bingo activities and other law violations.

Assistant U.S. Attorney John MacCoon said Schroyer failed to report $57,362 of gross receipts from the concession stand at the Knights of Pythias bingo hall during 1984 and 1985.

MacCoon said Schroyer also failed to report $7,500 he received in 1985 for selling his share in the concession stand. Schroyer left his job as chief of police in October 1985.

Unlike other defendants in the probe, Schroyer was not charged with actually operating the illegal game. Red Bank Public Works Director Gary D. Jackson pleaded guilty in June to running the Knights of Pythias bingo operation between 1983 and 1987.

According to state records, the hall was located at 3615 Dayton Blvd.

Schroyer, of 5610-B Old Dayton Pike, pleaded guilty to separate charges of filing false tax returns for 1984 and 1985. Each count carries a possible maximum sentence of three years in prison and a $250,000 fine.

Schroyer's plea agreement with the government provides that an appropriate sentence is no more than 12 months in custody on the first charge and a suspended sentence on the second charge. Schroyer also agreed to pay the back taxes he owes to the U.S. Internal Revenue Service.

Schroyer also agreed to cooperated "fully, truthfully and completely" with investigators and to testify before the federal grand jury and at trials if required.

If he accepts the agreement, U.S. District Judge R. Allan Edgar will sentence Schroyer on March 25.

MacCoon said Schroyer was "a 50 percent partner" in the concession business "with another individual" who was not named. A source familiar with the case, however, identified that the partner as Hamilton County Circuit Court Judge William L. "Chink" Brown.

Questioned, MacCoon said that Brown paid his taxes in connection with the concession. And MacCoon said Brown was "absolutely not" involved in any wrongdoing. An effort to reach Brown himself for comment Monday was unsuccessful.

In a telephone interview Monday night, Schroyer said he left his post as Red Bank police chief in 1985, after 16 years in police work, "to enter private business." Later, Schroyer said, he worked for the Hamilton County Corrections Department. But he said he is not employed now. His lawyer, Bill Ortwein, said he had no comment on the plea.

When Jackson pleaded guilty on June 25, MacCoon said he operated the game with another individual named Sammy McDowell, who has not been charged.

(Indicate page, name of newspaper, city and state.)

THE CHATTANOOGA TIMES
CHATTANOOGA, TENNESSEE

Date: 1/29/91
Edition:
PAGE B-1

Title:

Character:
or
Classification: 194C-215 Sub E
Submitting Office: KNOXVILLE

Indexing:

Three former Chattanooga policemen have previously pleaded guilty in the Rocky Top probe. On Jan. 23, recently retired Chattanooga Police Capt. Bob Gill pleaded guilty to tax evasion and aiding and abetting an illegal bingo gambling operation. The other two officers who have previously pleaded guilty are William "Sonny" Edwards and William W. Morgan.

194C-215 Sub E-54

SEARCHED SERIALIZED INDEXED FILED
JAN 31 1991
FBI—KNOXVILLE

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b7C

FBI/DOJ

FD-515 (Rev.9-28-90)
Accomplishment Report
(Effective 10/1/90)
(Submit within 30 days from date of accomplishment)
TO: Director, FBI

FROM: SAC, KNOXVILLE
SUBJECT:

[redacted]

Bureau File Number
194C-215 Sub E
Field Office File Number
4710
Squad or RA Number
[redacted]
Agent's Social Security No.

[redacted]

☒ X if case involves corruption of a public official (Federal, State or Local).

Date 2/7/91

Investigative Assistance or Technique Used

Rate each Investigative Assistance or Technique used in connection with the accomplishment being claimed.

1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

1. Acctg Tech Assistance Rating	8. Eng. Sect. Tape Exams Rating	15. Photographic Coverage Rating	22. Telephone Toll Recs Rating
2. Aircraft Assistance	9. Hypnosis Assistance	16. Polygraph Assistance	23. UCO Group I
3. Computer Assistance	10. Ident Div Assistance	17. Search Warrants Executed	24. UCO Group II
4. Consensual Monitoring	11. Informant Information	18. Show Money Usage	25. UCO Other
5. ELSUR FOSA	12. Lab Div Exams	19. Surveil Sqd (SOG) Asst	26. NCAVC/ VI-CAP
6. ELSUR Title III	13. Lab Div Field Support	20. SWAT Team Action	27. Visual Invest - Analysis (VIA)
7. Eng. Sect. Field Support	14. Pen Registers	21. Tech. Agt. or Tech Equip	

b6
b7C
b7E

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments
	1	

B. Arrests, Locates, Summonses of Subpoenes Served (No. of Subjects)

Subject Priority*	A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted_____; Armed_____

Subpoenas Served_____
Criminal Summons_____
Local Crim. Summons_____

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists_____; All Other Hostage Situations_____
Missing or Kidnaped Children Located_____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO -Civil Convictions
No. of Subj.

Civil Suits Amount of Suit
Settlement of Award

Government Defendant	Government Plaintiff
$	$
$	$ Enter AFA Payment Here

F. Administrative Sanctions

Subject 1	Subject Description Code* -	Time Frame: Years	Time Frame: Months	
☐ Suspension				☐ Permanent
☐ Debarment				

Subject 2	Subject Description Code* -	Time Frame: Years	Time Frame: Months	
☐ Suspension				☐ Permanent
☐ Debarment				

G. Final Judicial Process: Judicial District _____ (District / State) Conviction or Pretrial Div. Date _____ Sentence Date _____ No. of Subjects _____ Acquitted _____ Dismissed _____

Subject 1	Subject Description Code* -	Conviction: Title	Section	Counts	Combined Sentence: In-Jail Yrs. Mos.	Suspended Yrs. Mos.	Probation Yrs. Mos.
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation							
					Total Fines $		
☐ Plea ☐ Trial					Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs.- 8 yrs susp. = 2 yrs. In-Jail.		
☐ Pretrial Diversion							

Subject 2	Subject Description Code* -	Conviction: Title	Section	Counts	Combined Sentence: In-Jail Yrs. Mos.	Suspended Yrs. Mos.	Probation Yrs. Mos.
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation							
					Total Fines $		
☐ Plea ☐ Trial					Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs.- 8 yrs susp. = 2 yrs. In-Jail.		
☐ Pretrial Diversion							

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final disposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, F, or G above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 1/28/91, [redacted] entered guilty plea in U.S. District Court, Eastern District of Tennessee, Chattanooga, Tennessee, to two-count Bill of Information charging Perjury and Income Tax Fraud. [redacted] was released on $10,000 OR bond and sentencing set for 3/25/91.

b6
b7C

2 - Bureau
1 - Memphis (194C-407) (Info.)
(2)- Knoxville (1 - 194C-215 Sub E) (1 - 66-154B)

[redacted]

194C-215 Sub E-55
SEARCHED [redacted]
SERIALIZED
INDEXED

Property Type Codes*

Code No	Description
1.	Cash (U.S. and foreign currency)
2.	Stock, Bonds or Negotiable instruments (checks, travelers checks, money orders, certificates of deposit, etc)
3.	General Retail Merchandise (clothing, food, liquor, cigarettes, TVs, etc)
4.	Vehicles (autos, trucks, tractors, trailers, campers, motorcycles, etc)
5.	Heavy Machinery & Equipment (heavy equipment, computers, etc)
6.	Aircraft
7.	Jewelry (including unset precious and semiprecious stones)
8.	Vessels
9.	Art, Antiques or Rare Collections
11.	Real Property
20.	All Other Recoveries (not falling in any category above)

Potential Economic Loss Prevented (PELP) Type Codes*

Code No	Description
22	Counterfeit Stocks, Bonds, Currency or Negotiable Instruments
23	Counterfeit or Pirated Sound Recordings or Motion Pictures
24	Bank Theft Scheme Aborted
25	Ransom, Extortion or Bribe Demand Aborted
26	Theft from, or Fraud Against, Government Scheme Aborted
27	Commercial or Industrial Theft Scheme Aborted
30	All Other Potential Economic Loss Prevented (not falling in any category above)

*Except for cash, the Remarks section must contain an explanation of the computation of the recovery value or loss prevented. An explanation airtel must accompany this report if the recovery is $1 million or more, or if the PELP is $5 million or more.

Subject Description Codes*

- Enter Description Code Only When Reporting a Conviction -

Organized Crime Subjects (Include Family Name Or Group):
- 1A Boss, Underboss or Consigliere
- 1B Capodecina or Soldier
- 1C Possible LCN Member or Associate
- 1D OC Subject Other Than LCN
- 1E Not a Member or Associate of LCN Family or OC Organization

Known Criminals (Other Than OC Members):
- 2A Top Ten or I.O. Fugitive
- 2B Top Thief
- 2C Top Con Man

Foreign Nationals:
- 3A Legal Alien
- 3B Illegal Alien
- 3C Foreign Official Without Diplomatic Immunity
- 3D U.N. Employee Without Diplomatic Immunity
- 3E Foreign Students
- 3F All Others

Terrorists:
- 4A Known Member of a Terrorist Organization
- 4B Possible Terrorist Member or Sympathizer

Union Members:
- 5A International or National Officer
- 5B Local Officer
- 5C Union Employee

Government Officials Or Employees:

Federal	State	Local
6A Presidential Appointee	6J Governor	6R Mayor
6B U.S. Senator	6K Lt. Governor	
6C U.S. Representative	6L Legislator	6S Legislator
6D Judge	6M Judge	6T Judge
6E Prosecutor	6N Prosecutor	6U Prosecutor
6F Law Enforcement Officer	6P Law Enforcement Officer	6V Law Enforcement Officer
6G Fed Empl - GS 13 & above	6Q All Others - State	6W All Others - Local
6H Fed Empl - GS 12 & below		

Bank Officers or Employees:
- 7A Bank Officer
- 7B Bank Employee

All Others:
- 8A All Other Subjects (not fitting above categories)
- 8B Company / Corporation

*If a subject can be classified in more than one of the categories, select the most appropriate in the circumstance.

Instructions

Subject Priorities for FBI Arrest or Locates:

A - Subject wanted for crimes of violence (i.e. murder, manslaughter, forcible rape, robbery and aggravated assault) or convicted of such crimes in the past five years.

B - Subjects wanted for crimes involving the loss or destruction of property valued in excess of $25,000 or convicted of such crimes in the past five years.

C - All others

Claiming Non-Federal Arrests, Summonses, Recoveries or Convictions:

It is permissible to claim a local arrest, summons, recovery or conviction **if the FBI significantly contributed to the accomplishment.** A succinct narrative setting forth the basis for the claim must accompany this report. When claiming a local recovery, enter the word "LOCAL" to the right of the amount. Enter "LF" in the "In-Jail" block for all life sentences and "CP" for capital punishment sentences.

Reporting Convictions:

Convictions should not be reported until the sentence has been issued. There are two exceptions to this rule. The conviction information can be submitted by itself if:

1. The subject becomes a fugitive after conviction but prior to sentencing.
2. The subject dies after conviction but prior to sentencing.

An explanation is required in the Remarks section for either of the above exceptions.

Rule 20 Situations:

The field office that obtained the process (normally the office of origin) is the office that should claim the conviction, **not** the office where the subject enters the plea in cases involving Rule 20 of the Federal Rules of Criminal Procedures.

Investigative Assistance or Techniques (IA/Ts) Used:

-Since more than one IA/T could have contributed to the accomplishment, each IA/T used must be rated.

-The IA/T used must be rated **each time** an accomplishment is claimed. (For example - if informant information was the basis for a complaint, an arrest, a recovery and a conviction and if separate FD-515s are submitted for each of the aforementioned accomplishments, the "Informant Information" block must be rated on each FD-515 even if it was the same information that contributed to all the accomplishments.)

Race Codes:

C = Chinese; I = Indian/American; J = Japanese; B = Black; O = All other; U = Unknown; W = White

U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

710 Locust Street
Knoxville, Tennessee 37902

February 12, 1991

Honorable John W. Gill, Jr.
United States Attorney
Room 359, Federal Building
Chattanooga, Tennessee 37401

Attention: [redacted]
Assistant United States Attorney

b6
b7C

Dear [redacted]:

A recent review of pending FBI cases assigned to agents in the Chattanooga office indicates that all investigation has been completed in the following cases and they have been referred to the U. S. Attorney's Office for further action:

b6
b7C
b7E

[redacted]

[redacted]
ILLEGAL GAMBLING BUSINESS
[redacted]
(194C-215 SUB E)

[redacted]

2 - Addressee
(15) - Knoxville
[redacted]
(2 - 194C-215 SUB E)

b6
b7C

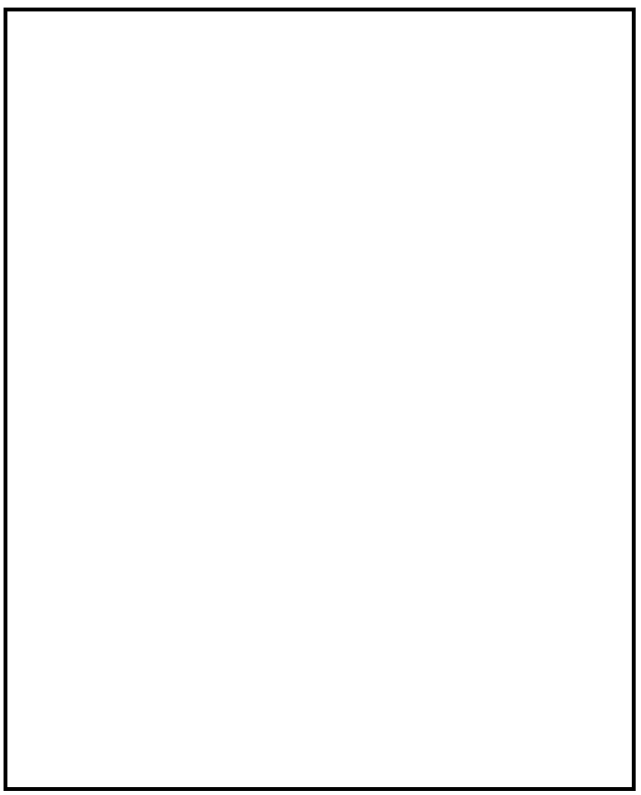
[redacted]

[redacted]
(17)

[redacted]

194C-215 Sub E-56

[redacted]



b6
b7C

I would appreciate it if you could advise this office of the current status of these cases.

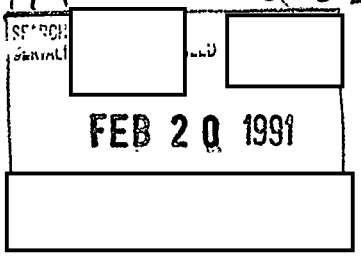
Very truly yours,

WILLIAM E. BAUGH, JR.
Special Agent in Charge

By: [redacted]
Supervisory Senior Resident Agent

b6
b7C

194C-21T SLE-57



b6
b7C

CHATT. SSM [redacted] Initials

U.S. Department of Justice

United States Attorney

Eastern District of Tennessee

Post Office Box 872
Knoxville, Tennessee 37901
615/673-4561 FTS/854-4561

Field Offices:
359 Federal Building
Chattanooga, Tennessee 37402
615/752-5140 FTS/856-5140

115 U. S. Courthouse
Greeneville, Tennessee 37743
615/639-6759

February 15, 1991

[redacted]
Supervisory Resident Agent
Federal Bureau of Investigation
633 Chestnut Street, Suite 540
Chattanooga, TN 37450

b6
b7C

Dear [redacted]

This is in response to your inquiry of February 12, 1991, concerning the status of certain cases. The following two cases are mine:

b5
b6
b7C

[redacted]

b6
b7C

Please let me know if you need any further information concerning these cases.

Very truly yours,

JOHN W. GILL, JR.
United States Attorney

[redacted]

b6
b7C

Assistant U.S. Attorney

[redacted]
Enclosure

FD-515 (Rev.9-28-90)

Accomplishment Report

(Effective 10/1/90)

(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, KNOXVILLE

SUBJECT:

[redacted]

Bureau File Number
194C-215 Sub E
Field Office File Number
4710
Squad or RA Number
[redacted]
Agent's Social Security No.

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 4/10/91

Investigative Assistance or Technique Used

Rate each Investigative Assistance or Technique used in connection with the accomplishment being claimed.

1 = Used, but did not help · 3 = Helped, substantially
2 = Helped, but only minimally · 4 = Absolutely essential

1. Acctg Tech Assistance Rating	8. Eng. Sect. Tape Exams Rating	15. Photographic Coverage Rating	22. Telephone Toll Recs Rating
2. Aircraft Assistance	9. Hypnosis Assistance	16. Polygraph Assistance	23. UCO Group I
3. Computer Assistance	10. Ident Div Assistance	17. Search Warrants Executed	24. UCO Group II
4. Consensual Monitoring	11. Informant Information	18. Show Money Usage	25. UCO Other
5. ELSUR FOSA	12. Lab Div Exams	19. Surveil Sqd (SOG) Asst	26. NCAVC/ VI-CAP
6. ELSUR Title III	13. Lab Div Field Support	20. SWAT Team Action	27. Visual Invest - Analysis (VIA)
7. Eng. Sect. Field Support	14. Pen Registers	21. Tech. Agt. or Tech Equip	

b6
b7C
b7E

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses of Subpoenes Served (No. of Subjects)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

Subpoenas Served_____

Criminal Summons_____

Local Crim. Summons_____

FBI Subj. Resisted_____; Armed_____

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists_____; All Other Hostage Situations_____

Missing or Kidnaped Children Located_____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO -Civil Convictions

No. of Subj.

Civil Suits Amount of Suit

Settlement of Award

Government Defendant	Government Plaintiff
$	$
$	$ Enter AFA Payment Here

F. Administrative Sanctions

Subject 1	Subject Description Code* -	Time Frame Years	Months		Subject 2	Subject Description Code* -	Time Frame Years	Months	
☐ Suspension				☐ Permanent	☐ Suspension				☐ Permanent
☐ Debarment					☐ Debarment				

G. Final Judicial Process: Judicial District E (District) TN (State) · Conviction or Pretrial Div. Date 1/28/91 · Sentence Date 3/25/91 · No. of Subjects _____ Acquitted _____ Dismissed

Subject 1 [redacted]	Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.
☒ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation	26	7206 (1)	2	0	4			3	0
☒ Plea ☐ Trial				Total Fines $ 2,000.00					
☐ Pretrial Diversion				Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs.- 8 yrs susp. = 2 yrs. In-Jail.					

Subject 2	Subject Description Code* -	Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation										
☐ Plea ☐ Trial					Total Fines $					
☐ Pretrial Diversion					Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together Sentence 10 yrs.- 8 yrs susp. = 2 yrs. In-Jail					

b7E

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final disposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, F, or G above, provide name, DOB, race, sex, and if available, POB and SSAN.

On 3/25/91, [redacted] was sentenced in USDC, Chattanooga (EDT) to four months' incarceration, 3 years' probation and fined $2,000.

194C-215 Sub E-59

KX COPIES ONLY: Credit SA [redacted] w/ 1 conviction, and $2,000 fine

b6
b7C

SEARCHED
SERIALIZED
INDEXED
FILED

1-Memphis
2 - Bureau
2 - Field Office (2-194C-215 Sub E) (1-66-154B)
3 See codes on reverse side.

CHATT. SSRA [redacted] Initials

(6) [redacted]

KX 194C-215 SUB E

[redacted]

b6
b7C

On April 23, 1991, [redacted] provided the following information to Special Agent (SA) [redacted]:

[redacted]

b6
b7C
b7D
b7E

194C-215 SUB E - 60

[redacted]

b6
b7C

[redacted]

[redacted]

Memorandum

To : SAC, KNOXVILLE (194C-215 SUB E) (P) Date 5/3/91

From : SA [redacted] b6 b7C b7E

Subject: [redacted]

AUSA [redacted] was contacted several times during February, March, and April of 1991 regarding the status of the prosecution of [redacted] AUSA [redacted] advised on 4/29/91, that [redacted] b5 b6 b7C b7E

LEAD

KNOXVILLE

AT CHATTANOOGA, TENNESSEE. Will follow and report results of prosecution of [redacted] b6 b7C

(2) Will assist AUSA [redacted] in preparing list of witnesses for testimony in FGJ.

2-194C-215 Sub E

[redacted] b6 b7C

(2)

194C-215 Sub E-61

DUPLICATE

[redacted]

Memorandum

To : SAC, KNOXVILLE (194C-215 SUB E) (P) Date 7/1/91

From : SA [redacted] b6 b7C b7E

Subject: [redacted]

AUSA [redacted] advised on 6/26/91, that [redacted] b5 b6 b7C

[redacted]

LEADS

KNOXVILLE DIVISION

At Chattanooga, Tennessee

Will continue contact with AUSA [redacted] and [redacted] regarding presentation of this matter before the Federal Grand Jury. b6 b7C b7E

b6 b7C

[redacted]

(3)

Chatt. SSRA [redacted] Initials

194C-215 SubE-62

[redacted]

JUL 2 1991

[redacted]

1*

Memorandum

To : SAC, KNOXVILLE (194C-215 SUB E) (P) Date 7/17/91

From : SA [redacted] b6 b7C b7E

Subject: [redacted]

On 7/16/91, AUSA [redacted] was contacted regarding the prosecutive status of [redacted] He advised that, [redacted] b5 b6 b7C

LEADS

KNOXVILLE DIVISION

AT CHATTANOOGA, TENNESSEE

Will follow and report results of prosecution of [redacted] b6 b7C

3 - Knoxville

[redacted] b6 b7C
(3)

194C-215 Sub E - 63

SSRA [redacted]

[redacted]

Memorandum

To : SAC, KNOXVILLE (194C-215 Sub E) (P) Date 10/8/91

From : SA [redacted] b6 b7C b7E

Subject: [redacted]

On 10/3/91, a meeting was held at the office of AUSA [redacted] and was attended by [redacted] and writer. The purpose of this meeting was [redacted] b5 b6 b7C b7E

AUSA [redacted] requested that [redacted] b5 b6 b7C

LEAD

KNOXVILLE DIVISION

At Red Bank, Tennessee

Will reinterview [redacted] with SA [redacted] concerning additional details of [redacted] involvement with the KOP/BSP bingo game in Red Bank. b6 b7C

[redacted] b6 b7C
(3) [redacted]

194C-215 Sub E-64

[redacted]

OCT 1991

[redacted]

1*

CHATT. SSRA [redacted]
Initials

Memorandum

To : SAC, KNOXVILLE (194C-215 Sub E) (P) Date 11/1/91

From : SA [redacted] b6 b7C b7E

Subject: [redacted]

Re my memo dated 10/8/91.

On 10/21 and 10/25/91, conferences regarding [redacted] b5 b6 b7C b7E were held with Assistant United States Attorney (AUSA) [redacted] SA [redacted] also attended these meetings. AUSA [redacted] advised that [redacted]

[redacted] was reinterviewed by writer in October 1991. b6 b7C

LEAD:

KNOXVILLE DIVISION

AT CHATTANOOGA, TENNESSEE

Will provide results of reinterview of [redacted] to AUSA [redacted] b6 b7C

Will present facts of case to Federal grand jury in coordination with AUSA [redacted]

Will follow and report results of prosecution.

[redacted] b6 b7C
(3) [redacted]

Chatt. SSRA [redacted] Initials

194C-215-SubE-65

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED [redacted]
NOV 1 1991
[redacted]

1*

SSRA [redacted]

194C-215 Sub E-66 b6 b7C

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED [redacted]

NOV 5 1991

[redacted]

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/5/91

[redacted] voluntarily appeared at the Chattanooga office of the FEDERAL BUREAU OF INVESTIGATION where he was interviewed by Special Agent [redacted] He was reminded of the identity of the interviewing agent and the purpose of the interview. He provided the following information concerning the involvement of [redacted] in the operation of the KNIGHTS OF PYTHIAS (KOP) bingo game in Red Bank, Tennessee: b6 b7C

From 1983-1985, [redacted] and both took an active part in the operation of the KOP bingo game. b6 b7C

From 1985-1987, [redacted] continued [redacted] in the KOP bingo game but was seldom present at the bingo hall. In April 1987, [redacted] and [redacted] both met with [redacted] who purchased the bingo game, and [redacted] and [redacted]. At this time, [redacted] he was going to talk with [redacted] about the possibility of staying in the bingo game. [redacted] does not know what [redacted] involvement was after April 1987. b6 b7C

Some of [redacted] duties in the operation of the KOP bingo game were supervising the bingo workers, closing the bingo hall at night, making night deposits at the AMERICAN NATIONAL BANK in Red Bank, Tennessee, and supervising the bingo callers. b6 b7C

Descriptive data concerning [redacted] was obtained in a previous interview. b6 b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

Memorandum

To : SAC, KNOXVILLE (194C-215 Sub E) (C) Date 1/17/92

5

1/23/92 1/23/92

From : SA [redacted] b6 b7C b7E

Subject: [redacted]

By letter dated 12/23/91, Assistant United States Attorney [redacted] advised that prosecution of [redacted] is being declined due to [redacted] b5 b6 b7C

All of the other subjects in this sub file were convicted in U.S. District Court, and appropriate FD-515s and R-84s were submitted.

In view of the above, sub file E is being placed in a closed status.

[redacted] b6 b7C

(2) [redacted]

[redacted] b6 b7C

SSRA [redacted]

194C-215 Sub E-67

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED [redacted]
JAN 17 1992
FBI - KNOXVILLE [redacted]

1*

File - Serial Charge Out
FD-5 (Rev. 6-17-70)

File 194C-215- Date

Class. Case No. Last Serial

☐ Pending ☐ Closed

Serial No.	Description of Serial	Date Charged
[redacted]		[redacted]
[redacted]		7/13/91
60		5/6/91

b6
b7C

RECHARGE Date

To From

Initials of Clerk

Date

Date charged

Employee

Location

★ U.S. GPO:1989-241-706/08023

File - Serial Charge Out
FD-5 (Rev. 6-17-70)

File 194C-215-E Date 89
Class. Case No. Last Serial

☐ Pending ☐ Closed

Serial No.	Description of Serial	Date Charged
32	A/T To CG 11/13	11/24
33		11/22
34	1-221 FBI #	1/22/90
35, 36		2/1/90
38	Bill of Info	2/15/90
39	Plea Agreement	
40	Factual Basis of	
41	Bill of Info	2/16
42	Plea Agreement	

[redacted]

b6
b7C

RECHARGE Date

To From

Initials of Clerk

Date

Date charged

Employee

Location

GPO : 1988 0 - 202-042

File - Serial Charge Out
FD-5 (Rev. 6-17-70)

File 194C-215-E ____ Date 89
Class. Case No. Last Serial

☐ Pending ☐ Closed

Serial No.	Description of Serial	Date Charged
17	Insert - cont fm Source	4/7
18		4/14
25	[redacted]	6/14
26	[redacted] 5/25	6/14
19	memo of Int 3/28	6/14
20	memo of Int 3/28	
21	memo of Int 3/28	
22	memo of Int 3/28	
23	memo of Int 3/28	6/14
	[redacted]	

b6
b7C
b7D
b7E

RECHARGE Date ____

To ____ From ____

Initials of Clerk ____ Date ____

Date charged

Employee

Location

GPO : 1986 0 161-191

Page 326 ~ Referral/Direct;
Page 327 ~ Referral/Direct;

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FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1558404-000

Total Deleted Page(s) = 3
Page 22 ~ b6; b7C; b7D;
Page 23 ~ b6; b7C; b7D;
Page 24 ~ b6; b7C; b7D;

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X For this Page X
XXXXXXXXXXXXXXXXXXXXXXX

FD-204 (Rev. 3-3-59)

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - Attorney in Charge, Chicago Strike Force
Chicago, Illinois
2 - USA, Ft. Wayne, Indiana

Report of: SA [redacted] Office: Indianapolis b6
Date: 2/20/75 b7C

Field Office File #: 182-843 Bureau File #: 182-2947

Title: JAMES AUGUSTUS PETERSON;
[redacted] b6
CHARLES HART; b7C
UNKNOWN SUBJECT, Also Known
As [redacted]

Character: dbd 3710 Pulaski,
East Chicago, Indiana

Synopsis: ILLEGAL GAMBLING BUSINESS

Investigation has determined that organized gambling activities are no longer being conducted at 3710 Pulaski, East Chicago, Indiana. AUSA FRED GRADY, NDI, Hammond, Indiana, declined prosecution of this matter. No additional investigation being conducted.

- C -

DETAILS:

Spot checks conducted at 3710 Pulaski, East Chicago, Indiana, on December 20, 1974, January 16, and February 12, 1975, indicated no unusual activity.

Investigation has determined that as of February 12, 1975, no organized gambling activities were being conducted at 3710 Pulaski, East Chicago, Indiana.

On February 13, 1975, Assistant United States Attorney FRED GRADY, Northern District of Indiana (NDI), Hammond, Indiana, advised that this case had no Federal prosecutive merit whatsoever. AUSA GRADY further indicated b5

[redacted]

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

19 OCT 24 74

FD-263 (Rev. 4-7-72)

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE	OFFICE OF ORIGIN	DATE	INVESTIGATIVE PERIOD
INDIANAPOLIS	INDIANAPOLIS	10/1/74	5/23 - 9/23/74

TITLE OF CASE

CHANGED
JAMES AUGUSTUS PETERSON, aka
"Sonny";
ERNEST MORRIS, aka
"Two Cent";
[redacted]
CHARLES HART;
[redacted]
dba 3710 PULASKI
EAST CHICAGO, INDIANA

REPORT MADE BY	TYPED BY
SA KENNETH G. FREAS	mr

CHARACTER OF CASE

IGB

b6
b7C

Title marked changed to delete subject HONEY MORRIS and reflect location where gambling activities currently being conducted. S.P

REFERENCE: Indianapolis report of SA KENNETH G. FREAS, 5/10/74.

- P -

ACCOMPLISHMENTS CLAIMED ☒ NONE					ACQUIT-TALS	CASE HAS BEEN:
CONVIC.	FUG.	FINES	SAVINGS	RECOVERIES		PENDING OVER ONE YEAR ☐ YES ☒ NO PENDING PROSECUTION OVER SIX MONTHS ☐ YES ☒ NO

APPROVED _____ SPECIAL AGENT IN CHARGE

DO NOT WRITE IN SPACES BELOW

COPIES MADE:

3 - Bureau (182-2791)
2 - USA, Ft. Wayne
1 - AIC, Chicago Strike Force
2 - Indianapolis (182-343)

Let to Ip - 10/24/74 MEA:lwb

MCT
REC

OCT 7 1974

Dissemination Record of Attached Report				
Agency	1	CC: AAG Criminal Division,		
Request Recd.				
Date Fwd.	Organized Crime Unit			
How Fwd.				
By	Section, Room			

Notations

[redacted] ADEQUATE

COVER PAGE

INCONS OCT 10 1974

Outcom. 10/23/74

FBI/FBI
U.S. DEPT OF JUSTICE

OCT 21 12 15 PM '74

RECEIVED
SPECIAL INVESTIGATION
DIVISION

IP 182-843

LEAD

INDIANAPOLIS

AT EAST CHICAGO, INDIANA. Continue efforts to fully identify all individuals involved in poker game activities at 3710 Pulaski.

ADMINISTRATIVE

The lengthy investigative period is noted; however, this matter has been maintained in a current status within the Indianapolis Division.

On 5/23/74, and 6/20/74, [redacted] advised b7D b7E
that gambling activities continue at both the New Turf Lounge, 2301 Broadway, East Chicago, and the Knights of Pythias, 2216 Broadway, East Chicago. Source indicated that gambling activities were conducted at both locations, 7 days a week, 24 hours a day. Source stated that the gambling activities at the New Turf consisted of policy wagering and poker games. He indicated that all gambling at the location is conducted in the basement of the establishment. Source also indicated that dealers for the poker games at the two sites continue to be rotated every 24 hours. Most recently, the following individuals were dealing at the New Turf Lounge:

[redacted] b6 b7C b7D

Source indicated that [redacted] also known as [redacted] also deals poker at the Knights of Pythias.

On 7/19/74, 8/6/74, and 9/23/74, an individual in a position to know was contacted concerning the poker game operation at 2216 Broadway, East Chicago, Indiana. On each occasion, this individual advised that gambling activities were continuing on a large-scale basis at 2216 Broadway, East Chicago, Indiana, 24 hours a day, 7 days a week. When contacted on September 23, 1974, source advised that the poker game had been relocated to the 3700 block of Pulaski on the west side of the street. When questioned concerning the following individuals, the source stated that the names were familiar to him and that each was known to be a dealer at poker games currently being conducted

at 3710 Pulaski, East Chicago, Indiana:

[redacted] b6 b7C b7D

Source advised that [redacted] Source advised that many of the customers who frequent this operation also participate in gambling activities at the New Turf Lounge, 2301 Broadway, East Chicago, and the Playhouse Recreation, which is located on Broadway, across the street from the New Turf Lounge. He stated, however, that many of the players in this particular operation are, however, much younger than the individuals who frequent the New Turf Lounge and Playhouse Recreation. Source has personally observed [redacted] at 3710 Pulaski, 2301 Broadway, and Playhouse Recreation. b7D

On 8/6/74 and 8/23/74, [redacted] was contacted concerning this operation and stated on both occasions that poker game activities continued in operation above the Knights of Pythias, 2216 Broadway, and also at the New Turf Lounge, 2301 Broadway, East Chicago. b7D b7E

Source advised that the games were in operation 7 days a week, 24 hours a day. Source indicated that both operations appeared to be predominantly black. Source stated that it was common knowledge in the Harbor Section that these games were in operation.

On 9/23/74, [redacted] advised that the poker game operation at 2216 Broadway, East Chicago, had relocated to 3710 Pulaski, which location is directly across the street from the New Turf. Source advised that [redacted] has not been dealing for this operation for b7D b7E

several months. The following individuals continue to act as dealers in this operation:

[redacted] b6 b7C b7D

Source indicated that ERNEST MORRIS continues to run this operation, as well as the poker game being operated at the New Turf Lounge. [redacted] b7D

[redacted]

NON-SYMBOLIZED SOURCE ADMINISTRATIVE PAGE

Individual furnishing information on 7/19/74, 8/6/74, and 9/23/74, was [redacted]

b6
b7C
b7D

FD-204 (Rev. 3-3-59)

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 2 - USA, Ft. Wayne, Indiana
1 - AIC, Chicago Strike Force

Report of: SA KENNETH G. FREAS
Office: Indianapolis
Date: 10/1/74

Field Office File #: 182-843
Bureau File #: 182-2791

Title: JAMES AUGUSTUS PETERSON;
ERNEST MORRIS;
[redacted]
CHARLES HART;

b6
b7C

Character: [redacted]

Synopsis: [redacted]
dba 3710 PULASKI
EAST CHICAGO, INDIANA

ILLEGAL GAMBLING BUSINESS

Current automobile registration information concerning JAMES AUGUSTUS PETERSON and ERNEST L. MORRIS set forth. Death of LAURA REED TURNTYNE, whose body was discovered 8/20/74, linked to subject PETERSON.

- P -

DETAILS:

On June 20, 1974, Sergeant ANTHONY VICARI, Indiana State Police (ISP), Schererville, Indiana, Post, advised that JAMES AUGUSTUS PETERSON, Social Security Account No. (SSAN) 306-01-6562, is the registered owner of a 1972 Ford, 2-door hardtop, brown in color, bearing 1974 Indiana license 45D4664. VICARI indicated that PETERSON's driver's license expires in November of 1975. His license indicates he is 5'6", 175 lbs., with black hair and brown eyes. He must wear glasses or contact lenses to drive.

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

VICARI advised that ERNEST L. MORRIS, SSAN 313-12-5922, is the registered owner of a 1970 Buick, 4-door sedan, brown in color, bearing 1974 Indiana license 45D1729. VICARI indicated that MORRIS' driver's license expires in October, 1976. His license indicates he is 5'9", 153 lbs., with black hair and brown eyes. He has no restrictions on his lenses.

IP 182-843
182-844
182-812
KGF:mr
1

On August 28, 1974, LOUISE TUCKER, Library Section, Gary "Post Tribune", made available two newspaper articles concerning JAMES "SONNY" PETERSON. The first article dated August 22, 1974, captioned "Body Identified as Gary Woman's" indicated in part as follows:

The body of a woman found Tuesday evening near the E J & E Railroad tracks at Colfax Street and linked to policy racket boss JAMES SONNY PETERSON, had been identified as LAURA REED TURNTYNE, 21, of 3600 West 25th Avenue. Lake County Deputy Coroner WILLIE HEARNS said the woman died of [redacted] Two Gary Detectives, ROBERT SCHEERER and JOE MATAN, decline to confirm the link to PETERSON. PETERSON reportedly met Mrs. TURNTYNE about 4:00 a.m., Sunday, when he closed the Villa Pizza which he operates at 11th and Taft in Gary. PETERSON filed a traffic accident report later Sunday with the Gary Police claiming a hit-and-run motorist crashed into his car, a 1972 Thunderbird, at 11th and Burr, and again at 15th and Hovey, about 5:30 a.m., Sunday. PETERSON, 58, of 4833 McCook Avenue, East Chicago, claimed he was forced off the street by the hit-and-run driver. The "Post Tribune" later learned that Mrs. TURNTYNE left the Villa Pizza with PETERSON and was reportedly in the car with him when the accident occurred. HEARNS said the woman could have died from either a beating or a car accident because of the type of injuries she had. HEARNS declined to confirm information that pay envelopes and policy racket documents were found on Mrs. TURNTYNE's body.

b6
b7C

A second article dated August 23, 1974, captioned "Bullet and Body of Woman Found Along Tracks," indicated in part as follows:

LAURA REED TURNTYNE of 3600 West 25th Avenue, was slain by a bullet [redacted] Besides the bullet, [redacted]

b6
b7C

PETERSON has given statements to Gary Detectives ROBERT SCHEERER and JOE MATAN and to Lake County Deputy Coroner WILLIE HEARNS.

It was later learned by the "Post Tribune" that SONNY PETERSON closed his Villa Pizza Lounge about 4:00 a.m. Sunday and left with Mrs. TURNTYNE. PETERSON turned in an auto accident report at 5:30 a.m. Sunday, claiming his 1972 Thunderbird was disabled when runnoff the street at 15th and Hovey. Source said that PETERSON reported that after the car was disabled, he and Mrs. TURNTYNE got into a passing car, whose driver offered them a ride to police headquarters but the driver later would not let them out. PETERSON reportedly told police he eventually jumped from the car on Gary's West Side, suffering minor injuries to his knees. Police reportedly discovered PETERSON's car was struck by a car stolen Saturday night in Michigan City and recovered Monday in Gary. Michigan City Police confirmed that the stolen car belonged to MONTE CHINSKE, [redacted] b6 b7C PETERSON furnished the stolen car's license plate number to police. The car was released to CHINSKE Monday before TURNTYNE's body was discovered.

Continued spot coverage afforded 2216 Broadway, East Chicago, Indiana, during the period May 23 through August 6, 1974, indicated a sufficient amount of traffic to indicate gambling activities were continuing at that location. Spot coverage in the vicinity around 3710 Pulaski and 2301 Broadway during the period August 6 through September 23, 1974, has indicated traffic enough to indicate gambling activities continuing at those locations.

FD-263 (Rev. 1-7-72)

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE	OFFICE OF ORIGIN	DATE	INVESTIGATIVE PERIOD
INDIANAPOLIS	INDIANAPOLIS	5-10-74	1-31-74 - 4-30-74

TITLE OF CASE

JAMES AUGUSTUS PETERSON, aka
"Sonny" Peterson
ERNEST MORRIS, aka
"Two Cent;" Morris
[redacted]
HOWEY MORRIS, aka
Harvey Morris;
CHARLES HART;
[redacted]
dba Knights of Pythias
2216 Broadway
East Chicago, Indiana

REPORT MADE BY	TYPED BY
KENNETH G. FREAS	-tjr

CHARACTER OF CASE

IGB

b6
b7C

P

ACCOMPLISHMENTS CLAIMED ☐ NONE					ACQUIT-TALS
CONVIC.	FUG.	FINES	SAVINGS	RECOVERIES	

CASE HAS BEEN:
PENDING OVER ONE YEAR ☐ YES ☒ NO
PENDING PROSECUTION OVER SIX MONTHS ☐ YES ☒ NO

APPROVED _____ SPECIAL AGENT IN CHARGE

DO NOT WRITE IN SPACES BELOW

109-6771-2
REC-10
MCT-15
182-2947-1
15 MAY 15 1974
EX-110

COPIES MADE:
(3) - Bureau
2 - USA, Fort Wayne, Indiana
1 - AIC, Chicago Strike Force, Chicago, Illinois
2 - Indianapolis (182-843)

Dissemination Record of Attached Report	Notations
Agency	
Request Recd.	2 cc. AAG, Criminal Division
Date Fwd.	
How Fwd.	Organized Crime and Racketeering
By	Section, Room

MINE
DATA PROC

51 MAY 23 1974

COVER PAGE

N/182 opened per M.C. Rutland
w/subpoena T.O. Buffalo # per Mr.
Bld. Cons Conn 10-16-74

declcon. 10/23/74
SP

FBI
U.S. DEPT. OF JUSTICE

MAY 23 12 15 PM '74

RELAYED
SPECIAL INVESTIGATIVE
DIVISION

DTIC 5300
MAIL

MED-16

IP 182-843

LEADS:

INDIANAPOLIS

At East Chicago, Indiana

Will continue efforts to fully identify all individuals involved in the poker game at the Knights of Pythias, 2216 Broadway.

ADMINISTRATIVE:

Investigation in this matter was instituted on 1-28-74 based upon information furnished by [redacted] who advised as follows: b7D b7E

Large-scale gambling activities are being held at the Knights of Pythias, 2216 Broadway, East Chicago, Indiana. Source advised that a poker game is played at the location seven days a week, 24 hours a day. Each dealer deals for a 24 hour period beginning at 8:00 A.M. and ending 24 hours later at 8:00 A.M. the following morning. [redacted] b7D

[redacted]

In addition to the above information, source stated that the following subjects are individuals involved in the gambling operation:

[redacted] b6 b7C b7D

IP 182-843

On 1-31-74, an individual in a position to furnish information of this type advised as follows:

[redacted]

b6
b7C
b7D

C COVER PAGE

[redacted]

b6
b7C
b7D

Source furnished the following information concerning ERNEST MORRIS:

[redacted]

b6
b7C
b7D

IP 182-843

[redacted] b7D

On 2-11-74, an individual in a position to know, advised as follows:

[redacted] b7D

[redacted] There are currently gambling activities being conducted at the Turf Lounge, located at the intersection of Pulaski and Broadway Streets in East Chicago. All gambling activities are conducted in the basement of the location. Source advised that additionally there are gambling activities being conducted at the Knights of Pythias, located 2216 Broadway, East Chicago, Indiana. Source advised that there is a poker game in operation at that location 24 hours a day, seven days a week. Source indicated that the individuals who frequent this particular operation are much younger than the individuals who frequent the operation at the Turf Lounge.

On 4-2-74, [redacted] advised that poker games continue to be in operation at the Knights of Pythias, 2216 Broadway, East Chicago, Indiana. Source indicated that the operation was going seven days a week, 24 hours a day. b7D b7E

On 3-20-74, [redacted] advised that large-scale gambling activities continue at the Knights of Pythias, East Chicago, Indiana. Source furnished the following information regarding individuals involved in the operation: b7D b7E

[redacted]

IP 182-843

NON-SYMBOL SOURCE ADMINISTRATIVE PAGE

The individual furnishing information on 1-31-74 was [redacted]

The individual furnishing information on 2-11-74 was [redacted]

b6
b7C
b7D

FD-204 (Rev. 3-3-59)

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 2 - United States Attorney, Fort Wayne, Indiana
1 - Agent in Charge, Chicago Strike Force, Chicago, Illinois

Report of: KENNETH G. FREAS
Date: May 10, 1974

Office: INDIANAPOLIS

Field Office File #: 182-843

Bureau File #:

Title: JAMES AUGUSTUS PETERSON;
ERNEST MORRIS;
[redacted]
HONEY MORRIS;
CHARLES HART;

b6
b7C

Character: [redacted]

Synopsis: [redacted]

doing business at
Knights of Pythias
2216 Broadway
East Chicago, Indiana

Character: ILLEGAL GAMBLING BUSINESS

Synopsis: Ownership and legal description of property located at 2216 Broadway, East Chicago, Indiana, determined and set forth. Registration information set forth concerning vehicles observed parked in the vicinity of Pulaski and Broadway, East Chicago, Indiana.

P

DETAILS:

Investigation in this matter was instituted to determine if gambling activities being conducted at 2216 Broadway, East Chicago, Indiana, are in violation of federal gambling statutes.

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

U. S. GOVERNMENT PRINTING OFFICE : 1970 O - 406-840

302 (REV. 11-27-70)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription April 15, 1974

At approximately 1:05 PM, vehicles bearing the following license plates were observed in the vicinity of the intersection of Pulaski and Broadway Streets in East Chicago, Indiana.

[redacted]

1974 Indiana License 45C2303.

[redacted]

b6
b7C

Interviewed on 4-9-74 at East Chicago, Indiana File # IP 182-843

b6
b7C

SA [redacted]

2

4-12-74

by Date dictated

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

302 (REV. 11-27-70)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription April 23, 1974

Mrs. SUSAN PETRO, Clerk, Real Estate Office of the Lake County Auditor, advised that the property located at 2301 Broadway, East Chicago, Indiana, is held in trust by the Lake County Trust Company under Trust Number 1103. She indicated that prior to October 5, 1964, the property was really owned by JAMES A. and JESSIE LEE PETERSON, husband and wife. She further indicated that prior to March 4, 1960, the property was owned by JORDAN and MARY KIRILOFF, [redacted] b6 b7C

PETRO advised that the property located at 2301 Broadway, East Chicago, Indiana, is legally described as being Lot 3, Block 52, of the Re-Subdivision of Lots 12 to 17 of Block 52, the Indiana Harbor Addition. She indicated that records concerning this property could be located through real estate key number 30-280-3.

Interviewed on 4-17-74 at Crown Point, Indiana File # IP 182-843

3

by SA KENNETH G. FREAS KGF-tjr Date dictated 4-22-74

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

[redacted]2 (REV. 11-27-70)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription May 1, 1974

From approximately 1:15 PM through 1:35 PM, vehicles bearing the following license plates were observed parked in the vicinity of the intersection at Pulaski and Broadway Streets, East Chicago, Indiana:

b6
b7C

[redacted]

Interviewed on 4-29-74 at East Chicago, Indiana File # IP 182-843

SA KENNETH G. FREAS KGF-tjr 4-30-74

by Date dictated

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

FD-302 (REV. 11-27-70)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription May 2, 1974

At approximately 12:46 PM the following license plates were observed on vehicles parked in the vicinity of Pulaski and Broadway Streets, East Chicago, Indiana.

b6
b7C

[redacted]

East Chicago Municipally owned license 11445.

Interviewed on 4-30-74 at East Chicago, Indiana File # IP 182-843

SA KENNETH G. FREAS KGF-tjr 5-1-74

by Date dictated

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

On April 17, 1974, records of the Gary, Indiana, License Bureau, Midtown Branch, indicated that 1973 Indiana License [redacted] is registered to [redacted] b6 b7C on a 1972 Oldsmobile, two-door hardtop, gray in color.

On April 17, 1974, records of the Gary, Indiana, License Bureau, revealed that vehicle bearing 1973 Indiana License [redacted] was registered to [redacted] b6 b7C on a 1967 Chevrolet, blue in color, two door hardtop. [redacted] was listed as having Social Security Number [redacted]

Records of the Gary, Indiana, License Bureau further revealed that vehicle bearing 1974 Indiana License [redacted] b6 was registered to [redacted] b7C on a 1972 Chevrolet coupe, black over gold. [redacted] Social Security Number was listed as [redacted]

On April 17, 1974, records of the East Chicago, Indiana, License Bureau revealed the following registration information:

1973 Indiana License [redacted] is registered to [redacted] b6 b7C on a 1968 Cadillac, red and black. [redacted] Social Security Number listed as [redacted]

1974 Indiana License [redacted] is registered to [redacted] b6 b7C T and S Body Shop, 4815 Indianapolis Boulevard, East Chicago, Indiana, on a 1973 Cadillac four-door, white and green.

1974 Indiana License [redacted] registered to [redacted] b6 b7C of [redacted] on a 1973 Oldsmobile Coupe, black and green. [redacted] Social Security Number is listed as [redacted]

1974 Indiana License [redacted] registered to [redacted] b6 b7C on a 1973 Cadillac, two-door, brown in color. [redacted] Social Security Number is listed as [redacted]

1974 Indiana License 45C2303, registered to Midwest Liquor Company, 2320 Broadway, East Chicago, Indiana, on a 1973 Oldsmobile, four-door sedan, brown in color.

On April 17, 1974, inquiry through the Indiana State Police, Schererville, Indiana, Post, determined that 1974 Illinois License [redacted] was registered to a [redacted] on a 1971 Cadillac, sedan. b6 b7C

Inquiry with the Indiana State Police, Schererville, Indiana, Post indicated that there was no record on file concerning 1974 Illinois License [redacted] b6 b7C

Continued spot coverage afforded 2216 Broadway, East Chicago, Indiana, during the period January 31 through April 30, 1974, indicated a sufficient amount of traffic to indicate gambling activities were continuing at the location.

FD-263 (Rev. 1-7-72)

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE	OFFICE OF ORIGIN	DATE	INVESTIGATIVE PERIOD
INDIANAPOLIS	INDIANAPOLIS	2/20/75	10/15/74 - 2/13/75

TITLE OF CASE

CHANGED
JAMES AUGUSTUS PETERSON, aka
"Sonny";
[redacted]
CHARLES HART;
UNSUB, aka
[redacted]
dbd 3710 Pulaski,
East Chicago, Indiana

REPORT MADE BY	TYPED BY
SA KENNETH G. FREAS	mr

CHARACTER OF CASE

b6
b7C

IGB

Title marked changed to delete subjects ERNEST MORRIS, [redacted] and to add UNSUB, aka [redacted]

b6
b7C

REFERENCE: Indianapolis report of SA KENNETH G. FREAS, 10/1/74.

- C -

ACCOMPLISHMENTS CLAIMED ☒ NONE					ACQUIT-TALS
CONVIC.	FUG.	FINES	SAVINGS	RECOVERIES	

CASE HAS BEEN:
PENDING OVER ONE YEAR ☐ YES ☐ NO
PENDING PROSECUTION OVER SIX MONTHS ☐ YES ☐ NO

APPROVED _____ SPECIAL AGENT IN CHARGE

DO NOT WRITE IN SPACES BELOW

COPIES MADE:

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2 - USA, Ft. Wayne
1 - AIC, Chicago Strike Force
1 - Indianapolis (182-843)

Dissemination Record of Attached Report				
Agency				
Request Recd.	1		1 Division	
Date Fwd.				
How Fwd.				
By				

Notations

NINE CRYPT SECT
DATA PROC

- A -
COVER PAGE

FBI
U. S. DEPT. OF JUSTICE

FEB 27 1 57 PM '75

RECEIVED
SPECIAL INV.
DIVISION

ADMINISTRATIVE

On 10/15/74, [redacted] advised that poker games continued to be played at 3710 Pulaski, East Chicago, Indiana, off and on, seven days a week. Source indicated that [redacted] b6 b7C b7D b7E

On 10/31/74, [redacted] advised that poker games were continuing at 3710 Pulaski, East Chicago, Indiana. Source advised that [redacted] b6 b7C b7D b7E

On 11/7/74, [redacted] advised that after the FBI raided the poker game at 2301 Broadway, East Chicago, the gambling at 3710 Pulaski became more active. Source stated that for several days following the raid, operators were highly cautious; however, poker games are again being played as before. b7D b7E

On 12/5/74, an individual in a position to know, advised that [redacted] b6 b7C b7D

On 1/16/75, and 2/12/75, an individual in a position to know, advised that [redacted] b6 b7C b7D

IP 182-843

On 2/13/75, AUSA FRED GRADY, NDI, Hammond, Indiana, having reviewed the facts in this matter, stated that this case had no Federal prosecutive merit whatsoever. GRADY further indicated that [redacted] b5

NON-SYMBOLIZED SOURCE ADMINISTRATIVE PAGE

Individual furnishing information on 12/5/74, 1/16/75, and 2/12/75, was [redacted]

b6
b7C
b7D

SAC, Indianapolis (182-843) October 24, 1974

REC-71 87-112

Director, FBI (182-2947)

CHANGED
JAMES AUGUSTUS PETERSON, aka
"Sonny";
ERNEST MORRIS, aka
"Two Cent";
[redacted]
CHARLES HART;
[redacted]
dba 3710 PULASKI
EAST CHICAGO, INDIANA

b6
b7C

Re report of SA Kenneth G. Freas, dated October 1, 1974.

Above captioned case assigned Bureau file number 182-2947.

MER:lsr
(4)

Assoc. Dir. ____
Dep. AD Adm. ____
Dep. AD Inv. ____
Asst. Dir.:
Admin. ____
Comp. Syst. ____
Ext. Affairs ____
Files & Com. ____
Gen. Inv. ____
Ident. ____
Inspection ____
Intell. ____
Laboratory ____
Plan. & Eval. ____
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Training ____
Legal Coun. ____
Telephone Rm. ____
Director Sec'y ____

MAILED 3
OCT 23 1974
FBI

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MAIL ROOM ☑ TELETYPE UNIT ☐

GPO 954-546

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
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FOI/PA# 1558404-000

Total Deleted Page(s) = 105
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Page 21 ~ b6; b7C; b7D;
Page 22 ~ b6; b7C; b7D;
Page 23 ~ b6; b7C; b7D;
Page 24 ~ b6; b7C; b7D;
Page 25 ~ b6; b7C; b7D;
Page 29 ~ b6; b7C; b7D;
Page 38 ~ Duplicate;
Page 44 ~ Duplicate;
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Page 171 ~ Duplicate;
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Page 182 ~ Duplicate;
Page 183 ~ Duplicate;
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Page 189 ~ b6; b7C;
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Page 191 ~ b6; b7C;
Page 192 ~ b6; b7C;
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Page 213 ~ b6; b7C;
Page 214 ~ b6; b7C;
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Page 217 ~ b6; b7C;

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INVESTIGATION STATUS FORM

b6
b7C

DATE 02/13/89 AGT [redacted] SQUAD/RA Chatt.

CLASS 194 FILE# 194C-215 Sub E OO Memphis

PROGRAM WCC EVIDENCE(Y/N) N 6E MATERIAL(Y/N) Y

PENDING/CLOSED(P/C) P 02/89 METHOD OF CLOSING _____
date/P or C (4) (5) (6)

REF'D USA 02/17/89 / [redacted]
(date) (name)

USA CONTACT(S) 03/89, 05/89 06/05/89
(dates)

STATISTICS CLAIMED (Y/N) N

INDICTMENT 1 (#) ARREST _____(#) CONVICTION _____(#)

SUMMARY Alleged Gambling and corruption investigation of The Knights of Pythias/Beta Sigma Phi bingo hall in Red Bank, Tn.

KEY DATE (Assigned) AGT (Self-explanatory) SQUAD/RA (Self-explanatory)

CLASS (Classification) FILE# (Self-explanatory) OO (Self-explanatory)

PROGRAM (OC, WCC, FUG, GGC, etc.) EVIDENCE (Has Evidence Been Obtained)

6E MATERIAL (Self-explanatory) PENDING/CLOSED (MM/YY plus P for Pending or C for Closed)

METHOD OF CLOSING (Self-explanatory)

REF'D USA (Date case was initially referred to AUSA and AUSA's name)

USA CONTACTS (Date of follow-up contact with AUSA)

STATISTICS CLAIMED (Self-explanatory)

SUMMARY (Brief synopsis about investigation, i.e. $100,000 nominee loan at Bank XYZ; Borrower, (John Doe); Narcotics/Gambling; or Fugitive - UFAP - MURDER)

SUBMIT FORM FOR EACH CASE ASSIGNED TO SPECIAL AGENT

D-340a (Rev. 10-3-77)

(Title) _____

(File No.) _____

Item	Date Filed	To be returned Yes	To be returned No		Disposition
1	3/30		x	Agents investigative notes	
2	6/6		x	Original memo	
3	6/15		x	Original memo	
4. M	11/29/94		x	Photos of [redacted]	

b6
b7C
b7D

94C-215-E-1A

[redacted] INDEXED
[redacted] FILED

b6
b7C

MAR 20 1989

FBI — KNOXVILLE

[redacted]

FD-340 (Rev. 12-6-83)

Field File No. KX 194C-215 Sub E -11A'

OO and File No. ME 194C-407

Date Received 3/14/89

From SA [redacted] b6 b7C

c/o FBI 633 Chestnut

(Address of Contributor)

Chattanooga, TN.

By SA [redacted] b6 b7C

To Be Returned ☐ Yes

☒ No

☐ Yes

☐ No

Receipt Given ☐ Yes

☒ No

Grand Jury Material - Disseminate Only Pursuant to Rules 6(e), Federal Rules of Criminal Procedure

Description: ☐ Original notes re interview of

Agents' investigative notes.

2/23/89 w 1940.215 sub E

[redacted] b6 b7C

was pd. by [redacted] K of P bingo hall. — sometimes worked 3 nights a week — other work 1 or 2 — $40 $50 each night — in cash. — was K of P. — stayed outside, in cold weather came inside front door. — 3615 Dayton Blvd — did NOT work after [redacted] — came in — was there since 1985. — or 1st part of 1986. — [redacted] had a silent partner in [redacted] who also ran this bingo hall. [redacted]

off duty work after hours — security [redacted] told [redacted] that he gave [redacted] part of proceeds which had been paid him. [redacted] thought [redacted] had pd. [redacted] $15,000 for bingo game. [redacted] does not know [redacted] or [redacted] — [redacted] in 19[redacted] & [redacted] [redacted] [redacted] concession stand in K of P bingo hall. — 8/85 — [redacted] sold out to [redacted] — later sold out to [redacted] — for $6,000 [redacted] paid $6000 also. never rept. taxes. — [redacted] was believed by [redacted] to be getting a check by [redacted] —

[redacted] was told by [redacted] to say he was working for [redacted] in [redacted]

b6
b7C

[redacted] is now [redacted] — since Spring 1985

[redacted] did not know of [redacted] working outside of bingo — or working outside of bingo.

b6
b7C

[redacted] - 2/22/89. -

b6
b7C

[redacted]

was working for [redacted] - in files in ABQ in Nash. (complete copy.) - [redacted] & [redacted] pd $80 000 cash for BBP. - . - 1987. - put into manage. - [redacted] also controlled Sclerema bus on access Rd. - [redacted] - [redacted] - bookkeeper was [redacted] - Does not know why [redacted] got out of K of P [redacted]

b6
b7C

[redacted] was attorney. - [redacted] was with [redacted] for a long time. - had Lookout Valley Lions Club game in Tiftonia. - used to run a Rossville game. - Arrests & FOP. -

[redacted] - FOP. -

b6
b7C

2/28/89

[redacted] b6 b7C

10/83 — started at KOP. - worked in back w/ [redacted] - [redacted] was in charge. - [redacted] was not there all the time! [redacted] was usually in charge.

pay = $26 per night (3 nights a week). - pd. in cash by [redacted] (cash in envelope). - b6 b7C
worked 2 weeks for [redacted] - then became a floor worker. -

[redacted] worked at front window. - b6 b7C
Mission Ridge in Rossville, Ga. -

worked 6pm-11:30pm, 3 nights per week. - [redacted] had workers sign forms stating they b6 b7C
were KOP members. —

pay increase = $32 per night. —

Pay for [redacted] - okay. $ — b6 b7C

w/ [redacted]

2/22/89

[redacted]

began work with Kapp in Oct., 1984 when it started - ushers. -

[redacted] called her about the job. - [redacted] -

not a member of Kapp. - worked for 1 year - in Sep. '85 signed form. - not a member for 3 years. - [redacted] were in charge. - after 1 yr. [redacted] quit because of personal problems - [redacted] had her sign form. [redacted] - bookkeeper at bingo hall. - [redacted] sold out to [redacted] -

pd. $25 per night - Thurs. Fri. Sat. - (6pm-12pm)(6 hrs/night) pd. once a week $75 cash. Pd. by envelope in working Trays. - [redacted] dis payroll. [redacted] and [redacted] Told her to say she was volunteer, no pay. later pd. $27 per night after 2 years.

no W-2 form

Earned. - minimum wage by check, rest pd. in cash. - pd. in envelope in Tray. W-2 reflected amount in check. -

[redacted] ~~quit Nov. '87.~~

[redacted] was to be new mgr. - [redacted] came in and said he was the new owner. - [redacted] stayed. [redacted] became asst. mgr./bookkeeper. - [redacted] said prizes were more when [redacted] ran the than when [redacted]

Beta sigma phi

took over. Crowd 350 people per night. [redacted] not a member of BSP. – no b6 b7C
dues, no meetings. want to work part time w/ BSP. – Fri & Sat. night. – pd. $30 per night. – by check [redacted] – sometimes filled in for other girls. – left. in Nov. 1987, To be with family. – [redacted] b6 b7C worked front window. – [redacted] in BSP + customers b6 b7C [redacted] – bingo customers. – played 3 nights per week. – [redacted] won Trip for 2 To Hawaii. – [redacted] signed pay checks when game was called BSP. – [redacted] said [redacted] went To b6 b7C BSP meetings and [redacted] was there. [redacted] was believes [redacted] worked for [redacted] several years [redacted] approached [redacted] about buying The bingo hall. –

2/27/89

[redacted] b6 b7C

[redacted]

[redacted] began filling in for people in early 86 — irregular schedule — [redacted] b6 b7C was in charge, but he had partners named [redacted] never spoke to [redacted] hired officers — started $40 on part-time basis for 3 or 4 months — then pd. $50 + paid in cash by [redacted] b6 b7C — [redacted] stayed outside — watched parking lot — escorted [redacted] b6 b7C to bank — Am. Nat. Bank, 3500 block Dayton Blvd — every night [redacted] worked — night deposit. 2 no comment re amount. at first [redacted] took money in trunk —

[redacted] Not a member of K of P. — b6 b7C

also worked for [redacted] b6 b7C — after 4/87 when [redacted] quit. BSP bingo game — was pd. $60 [redacted] take money to a caller [redacted] who gave money to [redacted] in plain envelope — not a member of BSP security —

bingo hall was usually packed —

[redacted] told him to tell people [redacted] was paying for the whole mall security — no W-2 — b6 b7C

told nothing about not on income tax —

[redacted] did not make any statement. no W-2 forms from [redacted] —

[redacted] did not really like [redacted] —

quit in 8/88 when [redacted] was kicked out. women said [redacted] was taking money out of safe. — [redacted] left because he thought some of women in security were after him. Heard [redacted] sold out to [redacted] — and also [redacted] was running a [redacted] controlled all the money, but [redacted] took money to ANB at High-land Park. —

[redacted] built #100,000 in Ravenwood after he made # in bingo. —

girls who worked there:

[redacted]

heard [redacted] sold all the tables & equip. to BSP for #2,500.

[redacted] is [redacted] — gave cash gifts to [redacted] for [redacted] Lions. —

[redacted] bingo caller, also did some work for [redacted]

3/3/89 [redacted] 194-EJ-715-Sub E.

b6
b7C

[redacted]

was a member of KOP for 4 or 5 years (since '82 or '83) — joined at main lodge in Harrison, Tn.. — KOP (cystic fibrosis foundation was charity). — (has expanded to other medical areas.) — [redacted] resigned from KOP. 1983 began playing bingo — sold packages and worked in concessions — [redacted] was in charge, [redacted] — bookkeeper, — b6 b7C
redid some bathrooms for [redacted] — in KOP hall. —
does not know how he got paid — for one or 2 weekends must have been cash. — left KOP in 1985 or 1986. — [redacted] left. — b6 b7C
Latter called [redacted] and said BSP was taking over and asked him to come back. — 4/4/87. — worked mostly in concession stand, [redacted] was in charge. — [redacted] pd. him by check. — worked [redacted] Fri & Sat. — worked 6:30, - 7 pm — 12 mid. — (5-5½ hrs. per night). — b6 b7C
$35-$40, — $5-/hr per hour.) no cash w/ check. — rec. W-2 form, — amt. of check — [redacted] never gave him any inst. on how to rept. pay. —

did not work 40 hrs. - worked 18-20 hours for 3 nights. - left in early June, 1987.

[redacted] in chg. [redacted] still bookkeeper, - [redacted] & Solano LNU.) - b6 b7C

Bingo hall was mostly full sometimes - by other times there were empty chairs - average 200. - [redacted] b6 b7C counted money and turned it over to - [redacted] - [redacted] was not in chg. - no one was in charge of concession stand -

signed BSP app. - not a member. - of BSP - no dues, no meetings - charity for BSP. -

unknown. -

[redacted] b6 b7C

- KOP. - [redacted] brought bingo to KOP attended - [redacted] was going to run bingo - give money to KOP. -

~~KOP. - charity~~ -

KOP

194C-215
sub. B

3/9/89

b5
b6
b7C
b7E

b6
b7C

3/6/89

p.1

[redacted]

KOP bingo game. — In July 1983 sold packages of pull tabs assisted in paying bills at KOP. — [redacted] — not getting paid. —

[redacted]

were friends and got involved in bingo game. — [redacted]

[redacted]

[redacted] did not mention $ from bingo. —

[redacted]

[redacted] signed a KOP membership app. — but was never a member, no meetings. — does not recall receiving any payment. —

[redacted] was bookkeeper at KOP bingo hall. —

does not know who paid callers and workers. —

does not know if [redacted] were equal partners - probably were. —

[redacted] was not there as much as [redacted] — got a girlfriend. —

Belkins [redacted] sold out to [redacted] — does not know amount received. —

FD-340 (Rev. 4-2-85)

Field File No. 194C-215 Sub. E-1A?

Serial # of Originating Document ——

OO and File No. ME 194C-407

Date Received 6-6-88

From SA [redacted] b6 b7C

c/o FBI 633 Chestnut

(Address of Contributor)

Signal Mtn., TN

By SA [redacted]

To Be Returned ☐ Yes ☒ No Receipt Given ☐ Yes ☒ No

Grand Jury Material - Disseminate Only Pursuant to Rule 6(e), Federal Rules of Criminal Procedure ☐ Yes ☐ No

Title: [redacted] b7E

Reference: ——

(Communication Enclosing Material)

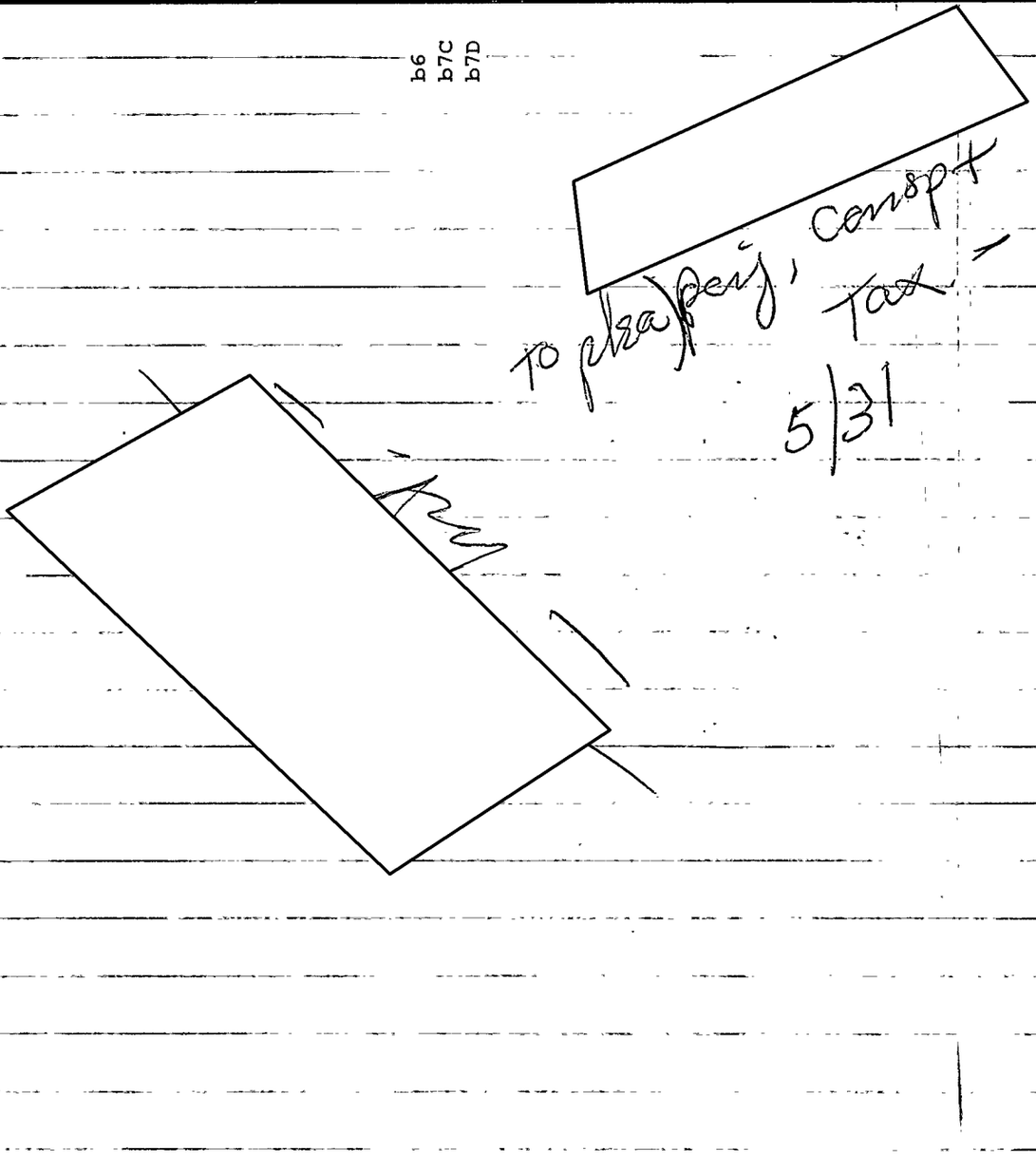
Description: ☒ Original notes re interview of [redacted] b6 b7C b7D

- 5/25/89. -

(1)

b6
b7C
b7D

b6
b7C
b7D



FD-340 (Rev. 4-2-85)

Field File No. Kx 194C-215 Sub. E - 1A3

Serial # of Originating Document _____

OO and File No. ME 194C-407

Date Received 5/21/09

From SA [redacted]

c/o FBI, 6553 Chestnut St.
(Address of Contributor)
Chattanooga, TN.

By SA [redacted]

To Be Returned ☐ Yes ☒ No Receipt Given ☐ Yes ☒ No

Grand Jury Material - Disseminate Only Pursuant to Rule 6(e),Federal Rules of Criminal Procedure ☐ Yes ☐ No

Title:

Reference: _____
(Communication Enclosing Material)

Description: ☒ Original notes re interview of [redacted]

b6
b7C
b7D

[redacted] - 5/31/89 - [redacted] -

w/ SA [redacted]

b6
b7C
b7D

P1

5/31/89

Missing

b6
b7C
b7D

FD-340 (Rev. 4-2-85)

Field File No. 194C-215 Sub E 1A4

Serial # of Originating Document _____

OO and File No. ME 194C-407

Date Received _____

From SA [redacted] b6 b7C
(Name of Contributor)

C/o FBI 633 Chestnut
(Address of Contributor)

Chattanooga, TN.

By SA [redacted]

To Be Returned ☐ Yes ☑ No Receipt Given ☐ Yes ☑ No

Grand Jury Material - Disseminate Only Pursuant to Rule 6(e), Federal Rules of Criminal Procedure ☐ Yes ☐ No

Title:

Reference: _____ b6 b7C
(Communication Enclosing Material)

Description: ☑ Original notes re interview of [redacted] on 1/10/90

1/17/90

[redacted] b6 b7C

[redacted]

In 1983 living in E. Ridge, working for [redacted] — in approx. Jan./Feb. 83 said she wanted to play bingo. — went to a bingo hall on Ringgold Rd. (run by [redacted]). Asked questions of players about bingo. — heard about [redacted] & his bingo hall on 23rd St. — he sugg. he talk to [redacted] about legalities. — he said it was legal if you were not a member of charity — legal if you leased equipment. — inquired about bingo in spare time. Also talked to [redacted] — had looked for bldg. & found bldg. in Dayton Plaza [redacted] told [redacted] about Knights of Pythias, [redacted] was commander of KOP. — KOP Committee & [redacted] talked to [redacted] again. [redacted] made applications to State of TN. for charters to conduct bingo. Became partners w/ [redacted] formed [redacted] (joint venture) dealt with [redacted] & Lewis Bradford (now deceased). — KOP Lodge is at Harrison, TN. Had hard time getting permit from state. Were paying $3,000/mo. rent & still had not gotten permit — had spent $10,000 or so). — guaranteed KOP would receive $200/night. KOP only provided 2 or 3 people to work. — [redacted] got some people. — began 10/15/83 — workers were not members of KOP. — Think was confusing. — workers were not supposed to be paid —, but workers were

paid in cash. [redacted] & [redacted] were not members of KOP. — walked w/ Bradford & [redacted] — workers were not members as was stated on applic. — [redacted] stayed away from paper work [redacted] Told workers what to put on form. Planned to get $2,500 month, did not get that. [redacted] paid rent to [redacted] Went down $14,000 almost immediately (another game opened up down street — [redacted] bar & [redacted]). — 3 accts (set up. 1) KOP 2) [redacted] 3) Dayton Playa bingo (expenses). — (3 later used as ck. clearing house). — Sat. night was big night. [redacted] & [redacted] invested about ~~$6,000~~ $28,000 ($14,000 each) — recouped initial investment in 1984. [redacted] & [redacted] — supervised. After 1985 [redacted] was not there very much. [redacted] & [redacted] made deposits, wrote checks, [redacted] totaled up tills (money). — [redacted] initially took money home & made deposits until about April 1984. later [redacted] made deposits. Game developed into ~~bingo~~ business, rather until closed in Feb/Mar. 1987. [redacted] walked some in 1985 Then quit & — [redacted]

(later in 84 split some more 12-15,000 in add. to what was in [redacted])

In April 1984 some money had built up. — $10,000 ea. was taken out in cash by [redacted] & [redacted] [redacted] wanted to keep more $ in cash Than [redacted] In 1985 it was a disaster. — did not make much money. — No house players. — workers pd. on average of $25 per night. — [redacted] & [redacted] until 1986 did not get pd. each night — Joined [redacted] assoc. in late 1984. Pd assoc. dues — $200 mo., — inc. to $500/mo. (cash). —

b6 b7C

b6 b7C

b6 b7C

b6 b7C

[redacted] '85 does not recall splitting any $. In 1986 split up approx. $30,000 ($15,000 each to [redacted] & [redacted]) money not on Taxes. In 1987 no $ split. In 1986 & 87 [redacted] (access Rd. bingo) was putting pressure on [redacted] bingo game to close. b6 b7C

In 1987 [redacted] said if [redacted] wanted out he would find a buyer for the bingo game. [redacted] set up meeting at which terms were [redacted] would go. - would be paid $75,000 ([redacted]) for eqip. + accumulated + concessions. No written agreement. 2nd meeting w/ [redacted] was at bingo hall - [redacted] made some long distance ph. calls. - came back w/ shoe box - counted out $50,000 — on piece of paper wrote receipt for $50,000, $25,000 to be paid later. ✓($7,500 pd. by [redacted] to [redacted] for 1/2 int. in concessions. (see p.4) b6 b7C

Later [redacted] met & rec. $25,000, then [redacted] split up remainder of cash. ($5,000 less $7,500) [redacted] kept his share at house used it to pay [redacted] brick work on house, some of the $ split in 1986 was used to build house. — [redacted] was to use only Beta Sigma Phi charter. b6 b7C

In 1985 [redacted] assisted Beta Sigma Phi in obtaining bingo permit. [redacted] & [redacted] — [redacted] dealt with [redacted]. [redacted] admitted W2's were incorrect. Financial statements to State of TN. were not correct. b6 b7C

Concession stand. —

In beginning — in 1983 [redacted] b6 b7C met with [redacted] about stand. — [redacted] had worked in bar & restaurant & wondered what [redacted] had planned for concession stand. — [redacted] had no objections b6 b7C to [redacted] running the stand. [redacted] brought in Cagle (bro. nos.) who built a concession stand. [redacted] & [redacted] got lic. To operate concession stand. Concession stand was separate business from bingo game. [redacted] and [redacted] Angela Cagle & other young people worked in concession. [redacted] left city & got b6 b7C out of bus. in pass. 1986, [redacted] also wanted out. [redacted] & [redacted] bought out [redacted] for $7,500 cash, later [redacted] got his $7,500. C.S. workers was pd. out of C.S. money. — [redacted] came by bingo hall and picked up cash $ from Cagle for his share of profit from concession stand.

In July 1986, [redacted] began paying himself in ck. & cash $75/night. [redacted] b6 b7C has not rec. any pay — in 7/86 she got $50/night in check & cash.

[redacted] made out pymts for callers and workers. —

★ [redacted] b6 b7C plays carries small automatic on his person in pocket. Never saw [redacted] w/ drugs. —, [redacted] knew workers were not members, pd. cash and participated in operation. Shared in profits of bingo game. —

- 1/17/90. -

b6
b7C

Description of

[redacted]

sex
Race
DOB
POB
SSAN
Ht.
Wt.
hair
eyes
scars, tattoos
residence -

occup. -

education. -

arrests. -

convictions -

wife -

children -

[redacted] would take polygraph.

TEST. -

[redacted] [redacted]

Ross. access Rd. [redacted]

bingo halls. — may have

BSP money was going out of

house.

b6
b7C

[redacted] — bk [redacted]

Memorandum

To : SAC. KNOXVILLE (194C-215 SUB E) (P) Date 2/8/89

From : SA [redacted] b6 b7C b7E

Subject : [redacted]

194C-215-2 194C-215-101

The purpose of this memo is to open sub file E in captioned matter. Investigation in sub file E will relate to the KNIGHTS OF PYTHIAS/BETA SIGMA PHI bingo game located at 3616 Dayton Boulevard, Red Bank, Tennessee.

Subjects in this bingo game will be as follows:

Knights of Pythias

NUM REFS ?? 194C-215-2

[redacted] b6 b7C

NUM REFS ??

194C-215-2

Beta Sigma Phi

194C-215-100, 194C-215-7

[redacted]

194B-218-75 ?

194-215-141 194C-215-100 ?

Meeting were held on 1/31/88 and 2/7/89 in Chattanooga, Tennessee, between writer and [redacted] and [redacted] where it was determined that the Knights of Pythias/Beta Sigma Phi bingo game to institute investigation due to the involvement of [redacted] and [redacted] both of who were included in the operation of the CARPETBAG THEATER bingo game (194C-215 Sub B). b6 b7C b7E

LEADS

KNOXVILLE DIVISION

AT CHATTANOOGA, TENNESSEE

Will open and assign captioned Sub file E to writer.

4 - Knoxville (2 - 194C-215)
(2) - 194C-215 Sub E)

[redacted]
(4)

194C-215 [redacted] -1 b6 b7C

O & A

1 [redacted]

CHATT. SSRA [redacted]
Initials

[redacted]

Sub E

[redacted]

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

2/15/89

Date of transcription

[redacted] was interviewed at [redacted] After she was advised of the identities of the interviewing agents and the purpose of the interview, she advised as follows: b6 b7C

She and [redacted] began working at the KNIGHTS OF PYTHIAS (KOP) bingo hall on Dayton Boulevard, Red Bank, Tennessee in February or March, 1986. Prior to that time both had been playing bingo at KOP bingo hall and [redacted] a friend, asked them if they would like to work there. [redacted] was operating the bingo game at KOP at this time. They began working in the concession stand at the bingo hall; [redacted] was in charge of concessions and [redacted] worked for [redacted] in the concession stand. b6 b7C

Records were kept regarding the amount of snacks which were sold and at the end of the night the cash was given to either [redacted] who was the bookkeeper for the bingo game. Among the snacks sold were hot dogs, sloppy joes, popcorn and cokes. b6 b7C

Both were asked by [redacted] to complete a bingo application form for the KOP; however, neither was ever a member of KOP, nor do they know the charitable purpose of KOP. [redacted] handed out KOP membership cards which were supposed to be on their person at all times while working at the bingo game. b6 b7C

They worked at the KOP bingo game on Thursday, Friday and Saturday nights and were paid $40 for each night worked. On every Saturday night [redacted] paid them $120 in cash in an envelope. They had been told by [redacted] to tell people the were volunteer workers and were not paid. Beginning in July 1986, they were both paid partly by check, at the rate of $3.35 per hour and the remainder was paid to them in cash to equal their prior salary of $40 per night or approximately $5 per hour. At this time both began receiving a W-2 IRS form which recorded the wages paid by check. The cash portion of their wages was not recorded on the W-2 form. Prior to July 1986, no W-2 forms were received. The amount of wages of [redacted] and other bingo employees were not known. b6 b7C

Investigation on 2/8/89 at Dalton, Georgia File # KX 194C-215 Sub E-2

by SA [redacted] [redacted] Date dictated 2/8/89 b6 b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

FBI/DOJ

 b6 b7C

The bingo callers during 1986 through March 1987 were identified as follows:

1) [redacted]
2)
3)

b6 b7C

The floor workers at the KOP bingo game during this period of time were as follows:

[redacted]

b6 b7C

[redacted] also sold pull tabs which were known as "Big Reds" at the KOP bingo game.

b6 b7C

The BETA SIGMA PHI (BSP) bingo game also began operation at the same location as the KOP game on Dayton Boulevard in late 1986 or early 1987. [redacted] also operated the BSP bingo game. The [redacted] were not members of the BSP organization and neither knew the charitable purpose of BSP.

b6 b7C

The bingo games at this location were full of players almost every night with 200-300 players. The bingo games were conducted from about 4:00pm to midnight.

The security officers at this bingo hall were identified as follows:

1) [redacted]
2)
3)

b6 b7C

These officers usually stayed near the front door or in the parking lot.

A number of individuals came in and worked only two or three nights and then left. The identities of these individuals are unknown.

The [redacted] both quit working at the KOP/BSP bingo game in February or March, 1987. [redacted] left this bingo hall about two weeks after the [redacted] left. It was rumored that [redacted] sold out to [redacted] and [redacted] ran this game for [redacted] and [redacted] prior to this were working at the SELERADERMA (phonetic) bingo game on Access Road in Chattanooga, Tennessee. [redacted] continued to work at the KOP/BSP bingo game after [redacted] left. b6 b7C

[redacted] had built a new house in Red Bank, Tennessee near Ravenwood while operating the KOP/BSP bingo game. b6 b7C

The following description was obtained through interview and observation:

Name
Race/Sex
Date of birth
Social Security
Account number
Residence

Employment

[redacted] b6 b7C

Special Agent [redacted] also participated in this interview. b6 b7C b7E

194c-215-SUB E-2

b6
b7C

[redacted]

for 13

[redacted]

[redacted]

CHATT. SSRA [redacted]
Initials

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/17/89

[redacted] who resides at [redacted] b6
[redacted] voluntarily appeared at [redacted] b7C
[redacted] where she was b7E
advised of the identity of the interviewing agents. After being advised of the purpose of the interview, she provided the following information:

She began working at the KNIGHTS OF PYTHIAS (K OF P) bingo hall in January or February, 1984, where she was employed as a floor worker, selling bingo cards. When she first started, she was paid $25 cash each night and she worked Thursday, Friday, and Saturday nights from 6:00 p.m until 11:00 p.m. or 11:30 p.m. (five to five and one half hours). She was not a member of the K OF P and she neither paid any dues or attended any meetings. She was exhibited an application to conduct bingo form dated October 3, 1985, which she had signed and identified her signature. She signed this form only as a condition of employment. She was paid by [redacted] who handled most of the money at the bingo hall. b6
The money was given to her by [redacted] who personally b7C
handed it to [redacted] in an envelope. After working there for several months, she was paid $30 per night.

[redacted] and [redacted] were in charge of the b6
K OF P bingo hall located on Dayton Boulevard, Red Bank, b7C
Tennessee. Prior to [redacted] becoming the
bookkeeper, [redacted] handled the money. She
specifically recalls [redacted] telling her that if anyone
asked, all the work at the bingo hall was volunteer work without
pay. [redacted] may also have told her this. All floor
workers were paid the same amount of money.

In the early part of 1985, [redacted] left the bingo b6
game, leaving [redacted] in charge. She does not know the b7C
reason for [redacted] leaving.

Investigation on 2/13/89 at Chattanooga, Tennessee File # KX 194C-215 Sub E-3

by SA [redacted] Date dictated 2/13/89 b6 b7C

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* U. S. GOVERNMENT PRINTING OFFICE: 1988-202-044:81030

 b6 b7C

In July, 1986, [redacted] told everyone at the K OF P game they would be paid minimum wage, about $3.35 per hour. The minimum wage, he said, was to be paid by check; however, the remainder of their pay would be paid in cash so that everyone would be making the same amount of money as before, about $6 per hour. No W-2 forms were received by employees when their wages were paid by cash; however, W-2 forms were received later for the amount of wages being paid by check in 1986 and 1987. The amount of money paid in cash was still not listed on the W-2 form. b6 b7C

[redacted] left the K OF P bingo game in approximately April, 1987, because, [redacted] believed, [redacted] was causing trouble and had indicated that she was going to report [redacted] to the state authorities. [redacted] remained and continued to pay the employees. b6 b7C

[redacted] came in at this time as the operator of the bingo game, which now began operating under the BETA SIGMA PHI (BSP) charter. All employees now began receiving their pay by check; however, they received the same amount of pay for the same number of hours worked. According to [redacted] was indicating in the books that employees were working more hours than they actually were working so that the hourly pay wold be at the minimum wage level. b6 b7C

She was never a member of BSP sorority; she never attended meetings or paid any dues in BSP. She was given a BSP membership card. She identified her signature on a BSP application to conduct bingo games dated April 19, 1986. When [redacted] became the operator of this game, he held a meeting and told all the employees nothing would change and they would continue to get paid. b6 b7C

[redacted] and [redacted] were active officers in the BSP sorority and, at the beginning, they were bingo players, but as time passed, both became more active in the actual operation of the BSP bingo game. [redacted] and [redacted] gained more power in the operation of bingo until in August, 1988, they locked [redacted] out of the hall. [redacted] and [redacted] had all the locks changed. [redacted] then quit on August 20, 1988. b6 b7C

She heard rumors that [redacted] from the CARPETBAG THEATER BINGO game had bought out [redacted] and had put his man, [redacted] in to run the bingo hall on Dayton Boulevard. She cannot substantiate this rumor. b6 b7C

b6
b7C

She identified bingo callers at the BSP bingo game as [redacted] and [redacted] who quit two or three days prior to [redacted] being locked out. There was also a [redacted], who had arrived from a Rossville Boulevard bingo game, who then called a few games until he received a telephone call in the middle of a game. He ran out of the hall and never returned. Five people quit the same night, August 20, 1988, - [redacted]

b6
b7C

Just prior to the time [redacted] left the BSP bingo game, [redacted] and [redacted] from a Rossville Boulevard bingo game, began coming to the BSP bingo game and standing around in the back with [redacted]

b6
b7C

The following is a description of [redacted]:

Name:
Sex:
Race:
DOB:
SSAN:
Height:
Weight
Hair:
Eyes:
Tennessee Driver's license:
Employment:

Business telephone:
Residence:

Residence telephone:

[redacted]

b6
b7C
b7E

Special Agent [redacted] was also present during this interview of [redacted]

[illegible] DL 194c 21-6 6E-3

[redacted] SEARCHED INDEXED SERIALIZED FILED

FEB 17 1989

[redacted]

b6
b7C

[redacted]

CHATT. SSRA [redacted]
Initials

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

2/15/89

Date of transcription

[redacted] was interviewed at [redacted] After she was advised of the identities of the interviewing agents and the purpose of the interview, she advised as follows: b6 b7C

She and [redacted] began working at the KNIGHTS OF PYTHIAS (KOP) bingo hall on Dayton Boulevard, Red Bank, Tennessee in February or March, 1986. Prior to that time both had been playing bingo at KOP bingo hall and [redacted] a friend, asked them if they would like to work there. [redacted] was operating the bingo game at KOP at this time. They began working in the concession stand at the bingo hall; [redacted] was in charge of concessions and [redacted] worked for [redacted] in the concession stand. b6 b7C

Records were kept regarding the amount of snacks which were sold and at the end of the night the cash was given to either [redacted] or [redacted] who was the bookkeeper for the bingo game. Among the snacks sold were hot dogs, sloppy joes, popcorn and cokes. b6 b7C

Both were asked by [redacted] to complete a bingo application form for the KOP, however, neither was ever a member of KOP, nor do they know the charitable purpose of KOP. [redacted] handed out KOP membership cards which were supposed to be on their person at all times while working at the bingo game. b6 b7C

They worked at the KOP bingo game on Thursday, Friday and Saturday nights and were paid $40 for each night worked. On every Saturday night [redacted] paid them $120 in cash in an envelope. They had been told by [redacted] to tell people the were volunteer workers and were not paid. Beginning in July 1986, they were both paid partly by check, at the rate of $3.35 per hour and the remainder was paid to them in cash to equal their prior salary of $40 per night or approximately $5 per hour. At this time both began receiving a W-2 IRS form which recorded the wages paid by check. The cash portion of their wages was not recorded on the W-2 form. Prior to July 1986, no W-2 forms were received. The amount of wages of [redacted] and other bingo employees were not known. b6 b7C

Investigation on 2/8/89 at Dalton, Georgia File # KX 194C-215 Sub E-4

by SA [redacted] Date dictated 2/8/89 b6 b7C

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FBI/DOJ

 b6 b7C

The bingo callers during 1986 through March 1987 were identified as follows:

1) [redacted]
2)
3)

b6 b7C

The floor workers at the KOP bingo game during this period of time were as follows:

[redacted]

b6 b7C

[redacted] also sold pull tabs which were known as "Big Reds" at the KOP bingo game. b6 b7C

The BETA SIGMA PHI (BSP) bingo game also began operation at the same location as the KOP game on Dayton Boulevard in late 1986 or early 1987. [redacted] also operated the BSP bingo game. The [redacted] were not members of the BSP organization and neither knew the charitable purpose of BSP. b6 b7C

The bingo games at this location were full of players almost every night with 200-300 players. The bingo games were conducted from about 4:00pm to midnight.

The security officers at this bingo hall were identified as follows:

1) [redacted]
2)
3)

b6 b7C

These officers usually stayed near the front door or in the parking lot.

A number of individuals came in and worked only two or three nights and then left. The identities of these individuals are unknown.

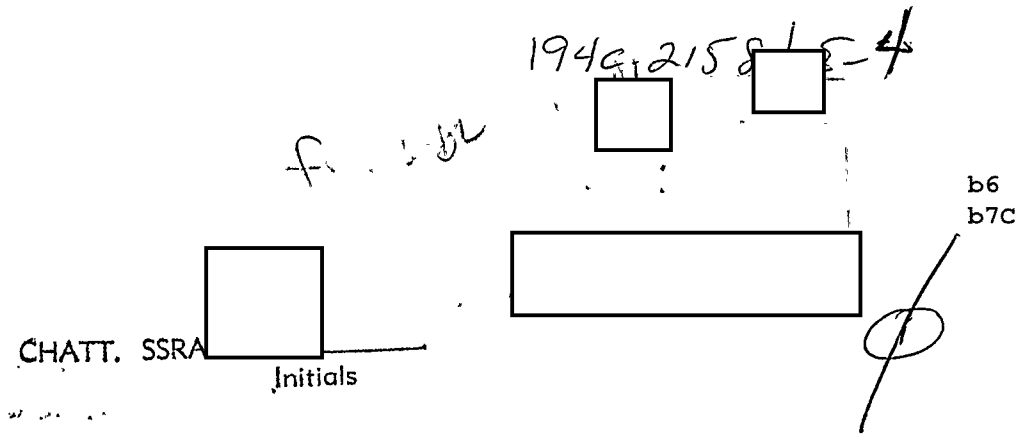
The [redacted] both quit working at the KOP/BSP bingo game in February or March, 1987. [redacted] left this bingo hall about two weeks after the [redacted] left. It was rumored that [redacted] sold out to [redacted] and [redacted] ran this game for [redacted] and [redacted] prior to this were working at the SELERADERMA (phonetic) bingo game on Access Road in Chattanooga, Tennessee. [redacted] continued to work at the KOP/BSP bingo game after [redacted] left. b6 b7C

[redacted] had built a new house in Red Bank, Tennessee near Ravenwood while operating the KOP/BSP bingo game. b6 b7C

The following description was obtained through interview and observation:

Name		b6 b7C
Race/Sex		
Date of birth		
Social Security Account number		
Residence		
Home telephone		
Employment		
Business telephone		

Special Agent [redacted] also participated in this interview. b6 b7C b7E


b6
b7C
CHATT. SSRA
Initials

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

2/27/89

Date of transcription

[redacted], who resides at [redacted] was interviewed at the Chattanooga Office of the Federal Bureau of Investigation (FBI). After being advised of the identity of the interviewing agents and the purpose of the interview, advised as follows: b6 b7C

She started work at the KNIGHTS OR PYTHIAS (KOP) bingo hall at 3615 Dayton Boulevard, Red Bank, Tennessee in March, 1987 as a snack bar worker. She worked three nights a week, Thursday, Friday, and Saturday, and was paid $120 by check at the end of the third night. [redacted] was in charge of this bingo hall, and [redacted] was the bookkeeper. She, [redacted] worked from 6:00pm - 10:00pm on each night and was paid by [redacted] who gave out the checks in envelopes. She was never a member of KOP. She did not pay any dues or attend any KOP meetings. She worked at the KOP bingo game for two weeks when [redacted] left. [redacted] took over the operation and the bingo game became the BETA SIGMA PHI (BSP) bingo game on or about April 1, 1987. [redacted] remained as the bookkeeper. She does not know how [redacted] came to be the new operator. b6 b7C

She signed an application form indicating she was a member of BSP for two years. This was not a true statement. She was not a member of BSP, and she did not pay any membership dues. [redacted] asked her to sign the application form. At BSP bingo game, which was in the same location as the KOP bingo game, she continued to work the same three nights at $120 for three nights work. [redacted] continued to pay her. Not long after [redacted] took over, she was paid $136 in check plus $14 in cash for a total of $150 for three nights. This check and cash was placed in one envelope. She continued to be employed in the snack bar and at the end of every night the snack bar cash receipts were turned into [redacted] She does not know what [redacted] did with this money. b6 b7C

Sometime around the middle of August 1988, [redacted] and [redacted] (phonetic) took over the game from [redacted] The locks on the bingo hall were changed and [redacted] could not reenter the building. She was now paid $46 by check and $100 in cash, and her pay was placed in envelopes on the kitchen table. [redacted] signed these checks. [redacted] quit on August 27, 1988 when everyone was told that their pay was going to stop. b6 b7C

Investigation on 2/14/89 at Chattanooga, Tennessee File # KX 194C-215 Sub E-5

by SA [redacted] Date dictated 2/23/89 b6 b7C

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b6
b7C

[redacted] also worked with [redacted] in the snack bar and occasionally [redacted] worked in the snack bar. She identified some of the floor workers as [redacted] She identified the bingo callers as [redacted]

[redacted] received a W-2 form while employed at the KOP and BSP bingo games which reflected the portion of her salary received by check.

[redacted] had told her to tell anyone who asked that she was paid only the minimum wage. She was given no instructions on what amount to file on her Federal income tax forms.

The following description was obtained through observation and interview:

Full name
Race/Sex
Date of birth
Place of birth
Social Security
Account Number
Height
Weight
Eyes
Hair
Residence

Marital Status
Husband
Children

[redacted]

Special Agent [redacted] also participated in this interview.

194C-215 Sub E-5

b6
b7C

[redacted]

[redacted]

(X)

CHATT. SSR/ [redacted] ...als

194C-21[redacted]-6

b6
b7C

F-011 [redacted]

[redacted]

(1)

CHATT. SUBM[redacted]

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

2/27/89

Date of transcription

[redacted] who resides at [redacted] was interviewed at the Chattanooga office of the Federal Bureau of Investigation (FBI). After being advised of the identity of the interviewing agents and the purpose of the interview, she advised as follows: b6 b7C

[redacted] was working at the KNIGHTS OF PYTHIAS (KOP) bingo hall on Dayton Boulevard, Red Bank, Tennessee, and in September or October [redacted] also began working on a part time basis at the KOP bingo game. She filled in for other employees when they were absent. She was never a member of KOP, but [redacted] the bookkeeper at KOP bingo game, asked her to sign a form stating she was a member, which she did. [redacted] and [redacted] were in charge of the KOP bingo game. She was paid $5.40 per hour in cash by [redacted] did the entire payroll at KOP bingo game. When [redacted] was gone, [redacted] would sometimes do the payroll. The first time [redacted] did the payroll in 1986 it was all in cash payments; the second time in 1987 the payroll was in check and cash. She specifically recalls paying [redacted] in check and cash. b6 b7C

During 1985 she operated the snack bar at the KOP bingo game and was paid $50 per night in cash by [redacted] all worked in the snack bar for short periods of time. b6 b7C

In January or February, 1986, she left the snack bar and sold pull tabs known as "Big Reds" and was paid $6.50 per hour in cash by [redacted] The cash proceeds from these sales were turned over to [redacted] as was done for the snack bar also. b6 b7C

In March or April of 1987 she went back to part time employment filling in for other employees again. She was now paid by check by [redacted] but she does not recall the amount. She did this until November, 1987 when she took over [redacted] floor worker position, for which she was paid $30 per night. This money was paid by check by [redacted] b6 b7C

[redacted] left in April, 1987; [redacted] took over and the bingo game changed names to BETA SIGMA PHI (BSP). She b6 b7C

Investigation on 2/23/89 at Chattanooga, Tennessee File # KX 194C-215 Sub E-6

by SA [redacted] Date dictated 2/24/89 b6 b7C

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FBI/DOJ

 b6 b7C

was a member of the XI GAMMA IOTA Chapter of BSP and did attend some meetings. Her dues in BSP were paid by the bingo game. She was a member of BSP for about a year prior to April, 1987. She was not, however, a member of BSP for the two or three years as indicated on the application form which [redacted] had her sign. She continued her duties as a floor worker and was paid $5.40 per hour, working six hours per night, usually three nights per week. She quit in August, 1988 one night after [redacted] was forced out by the BSP Security. She had not been going to BSP meetings, but heard rumors that [redacted] had been skimming money from the bingo games' proceeds. It was common knowledge, according to [redacted] that [redacted] and [redacted] had also been skimming money from the bingo game. b6 b7C

[redacted] had attended and BSP meeting prior to [redacted] taking over the operation and [redacted] had said that nothing was going to change. b6 b7C

[redacted] was making about $75 per night in addition to her salary. [redacted] was also paid a salary. b6 b7C

[redacted] told [redacted] to tell anyone who asked that she was a volunteer worker. b6 b7C

[redacted] to her knowledge, made no bank deposits with the cash from the bingo game, he just carried the money home. b6 b7C

The last two years she worked at the bingo hall she received a W-2 form which indicated the portion of her wages paid by check. The number of hours on her check stubs were not the actual hours worked; the hours were adjusted to show only the minimum wage.

Both [redacted] and [redacted] told her not to file income tax forms because she was not supposed to be receiving pay for her work. b6 b7C

BSP was being paid $100 per night by check by [redacted] for the use of the BSP bingo charter. Prior to this, KOP also received money for the use of the KOP bingo charter. b6 b7C

 b6 b7C

She heard from [redacted] that [redacted] and possibly [redacted] received $75,000 from [redacted] for their share of the bingo game. [redacted] had built a new home. b6 b7C

[redacted] a bingo customer, had caused [redacted] to sell out his interest because [redacted] had been habitually buying "Big Red" pull tabs and had figured out a system of when to buy and when the order of the pull tabs was changed [redacted] lost $300-$400 and became very upset. [redacted] threatened [redacted] and said she was going to report him to the State authorities. b6 b7C

[redacted] was residing in Georgia while she was working at the bingo hall. b6 b7C

[redacted] told [redacted] that [redacted] and [redacted] members of BSP who were also bingo players, were getting cash from the bingo game. b6 b7C

The following description was obtained through interview and observation:

Full name
Maiden name
Race/Sex
Date of birth
Place of birth
Residence

Social Security
Account Number
Husband

[redacted] b6 b7C

[redacted] was present during this interview. b6 b7C b7E

194C-215-Sub E-1

b6
b7C

[redacted]

(1)

CHATT. SSRA [redacted]
Initials

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

2/28/89

Date of transcription

DO

[redacted] residing at [redacted] [redacted] was reinterviewed at the Chattanooga Office of the Federal Bureau of Investigation (FBI). She brought in her pay stubs for the period of time she was employed at the KNIGHTS OF PYTHIAS (KOP) and BETA SIGMA PHI (BSP) bingo games which indicated her pay as follows:

b6
b7C

[redacted]

b6
b7C

She also advised that she and [redacted] counted the snack bar cash receipts at the end of each night, which normally averaged $500 per night prior to turning the money over to [redacted]

b6
b7C

2/21/89 Chattanooga, Tennessee KX 194C-215

Investigation on at File # Sub E

SA [redacted] 2/24/89

b6
b7C

by Date dictated

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

3/8/89

Date of transcription

[redacted] was interviewed at the Chattanooga Office of the FEDERAL BUREAU OF INVESTIGATION (FBI). After being advised of the identities of the interviewing agents and the purpose of the interview, [redacted] advised as follows:

Beginning in the early part of 1986 he was employed on a part time, after hours, basis as a security guard by [redacted] at the KNIGHTS OF PYTHIAS (KOP) bingo hall on Dayton Boulevard in Red Bank, Tennessee. He worked an irregular schedule, filling in for other officers when they could not work. [redacted] was in charge of the KOP bingo operation and [redacted] had a partner named [redacted] had no contact with [redacted]

[redacted] hired [redacted] and paid him $40 each night for three or four months and then [redacted] began paying him $50 per night. [redacted] always paid him in cash. When he was first employed by [redacted] was taking the bingo cash receipts home in the trunk of his car. Then later on, he escorted [redacted] to make night deposits at the AMERICAN NATIONAL BANK in the 3500 block of Dayton Boulevard in Red Bank. [redacted] never told him the amount of money he was depositing.

[redacted] was never a member of KOP.

In April, 1987, after [redacted] left the bingo game, [redacted] continued to work for [redacted] at the same location. The name of the game changed to BETA SIGMA PHI (BSP). [redacted] was now paid $60 per night by [redacted] actually gave the money to [redacted] who gave it to [redacted] in a plain envelope. [redacted] was never a member of BSP Security.

On most nights this bingo hall was packed.

[redacted] had told [redacted] to tell people that [redacted] was paying for security for the entire shopping plaza.

[redacted] never received a W-2 form from [redacted] or [redacted] made no statements to [redacted] about the money he received or how to report it. [redacted] quit in August, 1988 when [redacted] was

2/27/89 Chattanooga, Tennessee KX 194C-215

Investigation on

File # Sub E

SA [redacted]

3/3/89

by

Date dictated

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kicked out by BSP members who said [redacted] was taking money out of the safe. b6 b7C

[redacted] had built a $100,000 home in Ravenwood, near [redacted] residence while operating the KOP bingo game. b6 b7C

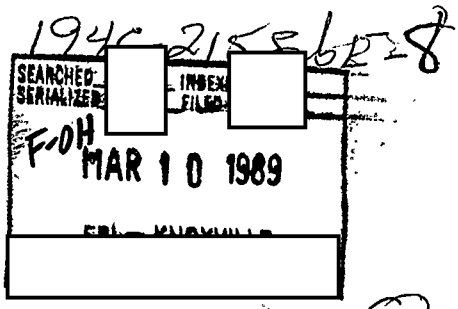
[redacted] identified the following individuals who worked at the bingo hall: [redacted] b6 b7C

[redacted] heard that [redacted] sold all the tables and bingo equipment to BSP Security for $2,500 upon his departure. b6 b7C

[redacted] is presently [redacted] He believes [redacted] to be a close associate of [redacted] while operating KOP bingo games, gave gifts to [redacted] for the RED BANK LIONS CLUB. b6 b7C

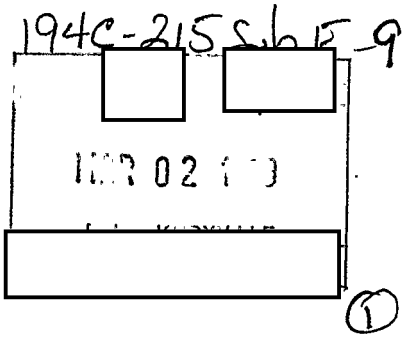
[redacted] resides at [redacted] b6 b7C

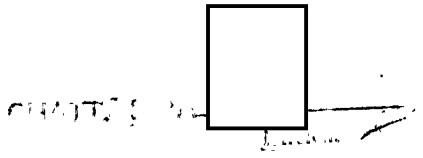
[redacted] was present during this interview. b6 b7C b7E

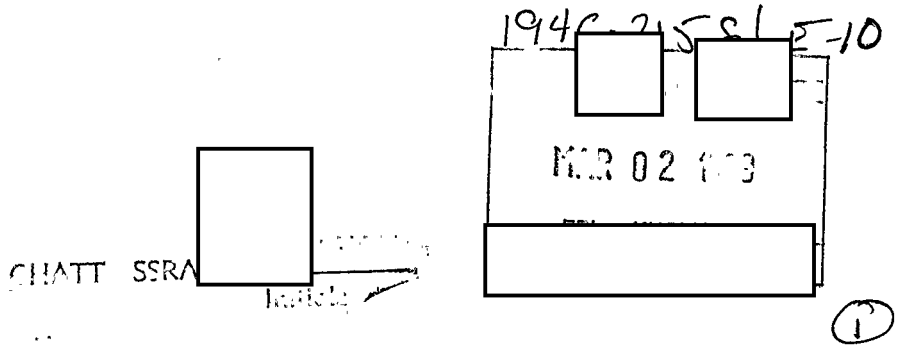


b6
b7C

CHATT. SSRA [redacted]
initials


194C-215 Sub E-9
b6
b7C
1
1

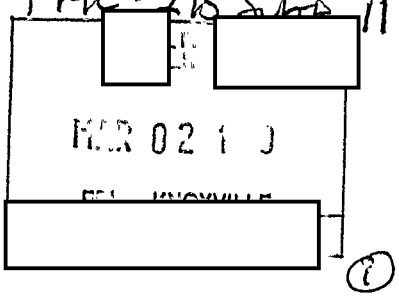




b6
b7C

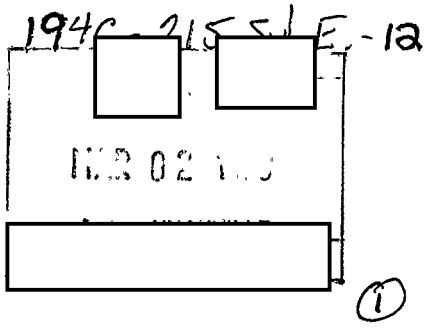
1944-215565 11

b6
b7C



CHATT. SSRA [redacted]

Initials



b6
b7C

CHATT. SSRA

Initials

[redacted]

CHATT. SSRA [redacted] Initials — Indef

[redacted]

194d-215-15-13

[redacted]
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MAR 2 1989
[redacted]

b6
b7C

(1)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/23/89

[redacted] who resides at [redacted] b6 b7C
[redacted] was interviewed at the Chattanooga Office of the FEDERAL BUREAU OF INVESTIGATION. After being advised of the identity of the interviewing Agents and the purpose of the interview, [redacted] advised as follows:

In 1983 (month not recalled), she began working a the KNIGHTS OF PYTHIAS (KOP) being hall. She did this as a favor for [redacted] who was part owner of the KOP bingo b6 b7C
game with [redacted] She assisted the game by paying bills and selling bingo cards. She did not receive any money for her work.

[redacted] and [redacted] were friends, and they b6 b7C
became involved in setting up a bingo game for KOP. At this time, [redacted] which is headquartered in Nashville, Tennessee.

She recalls signing a KOP membership application to conduct bingo games, but she was never a member of KOP nor did she ever attend any KOP meetings.

[redacted] was employed at the KOP b6 b7C
bingo hall as the bookkeeper.

She does not know if the bingo callers or workers were paid, or who paid them if they were.

She does not know if [redacted] and [redacted] were equal partners b6 b7C
in the bingo venture. She suspects that they were partners, even though [redacted] was not present at the bingo hall as much as [redacted] She believes [redacted] sold his interest in the bingo game to [redacted] The amount is unknown.

[redacted] b6 b7C

[redacted] never talked to her about how much money b6 b7C
he made from the bingo game.

Investigation on 3/6/89 at Chattanooga, Tennessee File # KX 194C-215 Sub E

by SA [redacted] Date dictated 3/6/89 b6 b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

FBI/DOJ

KX 194C-215 Sub E

 b6 b7C

[redacted] is presently residing at [redacted] b6 b7C

She was unable to provide any additional information regarding the KOP bingo game.

The following is descriptive data:

Name
Sex
Race
Date of birth
Social security number
Employment

Residence

[redacted] b6 b7C

[redacted] was also present during the above interview. b6 b7C b7E

194C-2[illegible]-14

b6
b7C

SEARCHED [illegible] INDEXED [illegible] FILED

MAR [illegible] 1989

(1)

Indexed

CHATT. SSRA [illegible]

Initials [illegible]

[illegible]

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/23/89

[redacted] who resides at [redacted] was interviewed at [redacted] b6 b7C b7E

After being advised of the identity of the interviewing Agents and the purpose of the interview, [redacted] advised as follows:

He had been a member of the KNIGHTS OF PYTHIAS (KOP) for four or five years (since 1982 or 1983). He had joined the main lodge in Harrison, Tennessee.

In 1983, he began playing bingo at the KOP bingo hall on Dayton Boulevard in Red Bank, Tennessee, and shortly thereafter he began working at the KOP bingo hall, which was being run by [redacted] b6 [redacted] He sold bingo packages and worked in the concession b7C stand. [redacted] was the bookkeeper for the KOP bingo hall.

He also refurbished some bathrooms at the KOP bingo hall at the request of [redacted] He does not recall how he was b6 paid, but said it must have been in cash. He left the KOP bingo b7C game in 1985 or 1986.

In April 1987, he returned to the bingo hall, now called the BETA SIGMA PHI (BSP) bingo game, and began working for [redacted] b6 [redacted] who was now in charge. This time he worked mostly in the b7C concession stand. [redacted] paid him by check about $35 to $40 per night. He worked form 6:30 p.m. to midnight each night making $5 to $6 per hour. He did not receive any additional cash with his check. He received a W-2 form which reflected the amount of his pay. [redacted] did not instruct him as how to report his pay. He left the BSP bingo game in early June 1987.

[redacted] stayed on as the bookkeeper for the BSP b6 bingo game even though [redacted] had left. [redacted] b7C [redacted] also had management positions at the BSP bingo game.

Average attendance at the KOP/BSP bingo games was about 200 players per night.

Investigation on 3/3/89 at Chattanooga, Tennessee File # KX 194C-215 Sub E

by SA [redacted] Date dictated 3/3/89 b6 b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

FBI/DOJ

b6
b7C

No one was in charge at the concession stand where he worked most of the time; everyone did his job without supervision.

He was never a member of the BSP sorority; he did not pay any dues or attend any meetings. he never knew the charitable purpose of BSP. The charitable purpose of KOP was the CYSTIC FIBROSIS FOUNDATION and other medical charities.

[redacted] a member of KOP, was the one who brought bingo to the attention of other KOP members.

b6
b7C

The following is descriptive data regarding [redacted]:

Name
Sex
Race
Date of birth
Place of birth
Height
Weight
Social security number
Residence

Employment

[redacted]

b6
b7C

[redacted] was also present during the above interview.

b6
b7C
b7E

[redacted]

[redacted]

CHATT. SSR [redacted]
Initials

[redacted]

b6
b7C

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/16/89

[redacted] was interviewed at the Chattanooga office of the Federal Bureau of Investigation (FBI). After he was advised of the identity of the interviewing agents and the purpose of the interview, he advised as follows:

He was employed in 1985 on a part time basis as security officer by [redacted] at the KNIGHTS OF PYTHIAS (KOP) bingo hall at 3615 Dayton Boulevard, Red Bank, Tennessee. Some weeks he worked three nights a week, other weeks he worked only one or two nights. He was paid $40-$50 each night in cash by [redacted] the operator of the KOP bingo hall. He stayed outside most of the time, and seldom came past the front entrance. He has not worked at this bingo hall since the latter part of 1985 or early 1986.

194C-215-2

[redacted] had a silent partner [redacted] who also helped run the KOP bingo hall. [redacted] was the bookkeeper at the KOP bingo hall.

[redacted] thought [redacted] was paid $15,000 for the KOP bingo game by [redacted] and that [redacted] paid part of these proceeds to [redacted]

[redacted] and [redacted] are not known by [redacted]

NUM REFS

[redacted] owned the concession stand in the KOP bingo hall. In August, 1985, [redacted] reportedly sold out to [redacted] for $6,000; later [redacted] sold out his interest in the concession stand for $6,000. He understands [redacted] never reported the $6,000 on his income tax return.

NUM ID ??

[redacted] believed [redacted] was getting paid by [redacted] possibly by check.

When [redacted] was working as security officer for [redacted] told him to tell people he was actually working for [redacted] of Ft. Oglethorpe, Georgia. [redacted] in which the KOP bingo hall was located.

2/23/89 Chattanooga, Tennessee KX 194C-215 Sub E

Investigation on _____ at _____ File # _____

SA [redacted] 2/28/89

by _____ Date dictated _____

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

 b6 b7C

Since the spring of 1985 [redacted] has been [redacted] in Red Bank, Tennessee. b6 b7C

[redacted] was present during this interview. b6 b7C b7E

194C-215 Sub E-16

CHATT. SSRA [ ]
Initials

SEARCHED [ ] INDEXED [ ]
SERIALIZED [ ] FILED [ ]
MAR 2 - 1989
FBI - KNOXVILLE

b6
b7C

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/23/89

[redacted] was interviewed at the UNITED STATES ATTORNEY'S OFFICE in Chattanooga, Tennessee. After being advised of the identity of the interviewing Agent and the purpose of the interview, [redacted] advised as follows: b6 b7C

[redacted] b5 b6 b7C

Investigation on 3/9/89 at Chattanooga, Tennessee File # KX 194C-215

by SA [redacted] Date dictated 3/9/89 b6 b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

b6
b7C

[redacted]

b5
b6
b7C

Also present during this interview were [redacted]

b6
b7C
b7E

[redacted] and Assistant United States Attorney [redacted]

KX 194C-215 Sub E

[redacted]

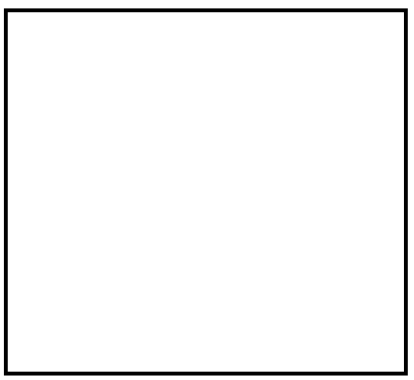
1

b6
b7C

[redacted] was contacted on February 17 and March 2, 1989, by SA [redacted] and provided the following [redacted]

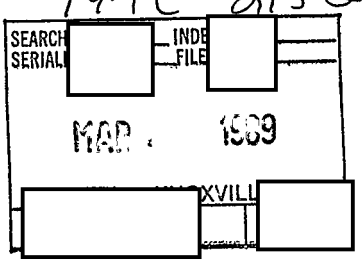
[redacted]

b6
b7C
b7D
b7E



194C-215 Sub E-17

b6
b7C



CHATT. SCRA [redacted]

Ind[illegible]

Memorandum

To : SAC, KNOXVILLE (194C-215 SUB B)(P) Date 4/11/89

From : SA [redacted] b6 b7C b7E

Subject : [redacted]

From 3/17/89 through 4/5/89 attempts have been made on a daily basis to arrange an interview with [redacted] b6 b7C through his Attorney [redacted] All of these attempts have been negative.

An agreement was made between [redacted] and AUSA [redacted] whereby [redacted] b5 b6 b7C b7E

LEAD

KNOXVILLE DIVISION

AT CHATTANOOGA, TENNESSEE

Will continue efforts to interview [redacted] b6 b7C b7E coordinating with AUSA [redacted] Attorney [redacted] and [redacted]

4 - Knoxville
(2 - 194C-215 Sub B)
(2 - 194C-215 Sub E)
[redacted] b6 b7C
(4)

194C-215 Sub E-18

1*

CHATT. SSRA [redacted]
Initials

[redacted]

194[redacted]158[redacted]19

b6
b7C

[redacted]

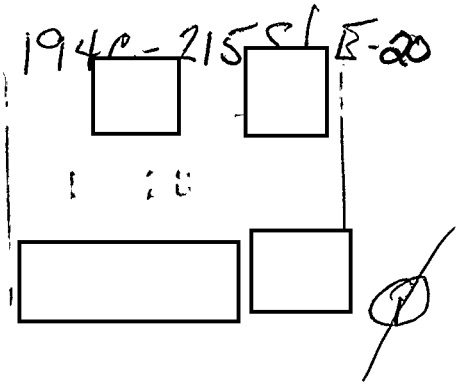
CHATT. SSRA [redacted]
Initials

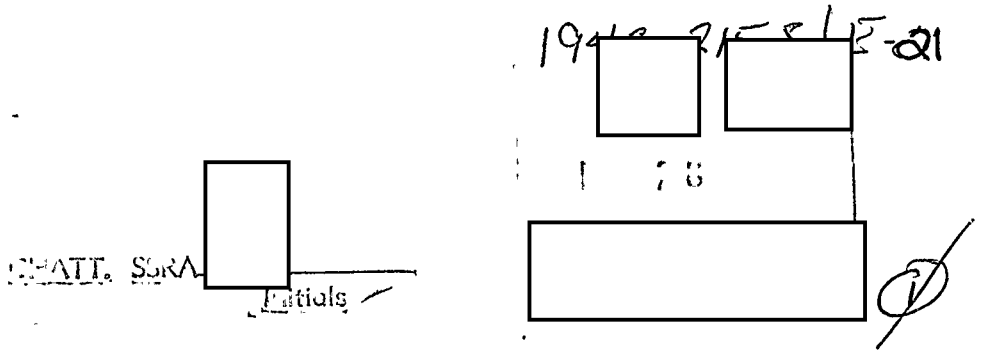
1940-215 Sec 1 B-20

b6
b7C

CHATT. SSRA [redacted]

Initials





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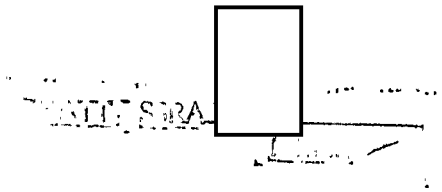

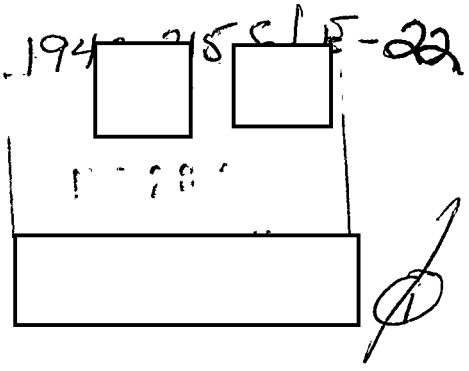

b6
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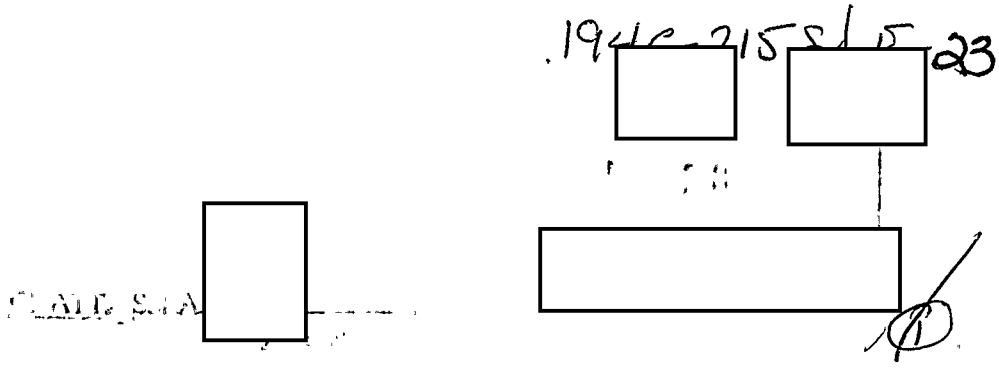

1942-215 sub 5
23
b6
b7C

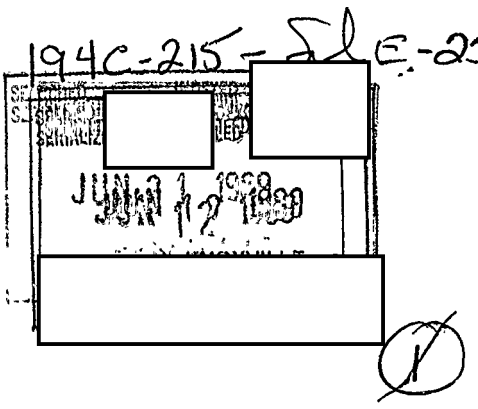
1940 215 CLIP-24

b6
b7C

[redacted]

[redacted]

CHATT. SSRA [redacted]
Initials



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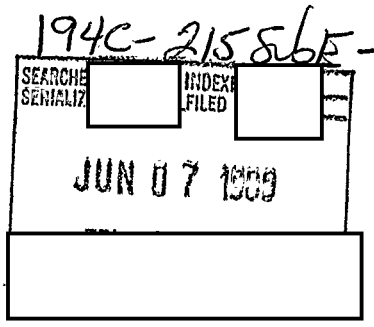
CHATT. SSRA [redacted]

Initials

194C-215566-26 b6 b7C



CHATT. SSRA [ ] Index

Initials

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 6/7/89

[redacted] (protect identity) was interviewed at [redacted] After being advised of the identity of the interviewing agents and the purpose of the interview, he advised as follows: b6 b7C b7D

[redacted] b6 b7C b7D

Investigation on 5/25/89 at [redacted] File # KX 194C-215 Sub E b6 b7C b7D

by SA [redacted] Date dictated 5/30/89

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

b6
b7C
b7D

[redacted]

b6
b7C
b7D

The following is descriptive data of [redacted] obtained through observation and interview:

b6
b7C
b7D

Full Name
Sex
Race
Date of Birth
Place of Birth
SSAN

Height
Weight
Martial Status
Wife
Residence

Employment

Prior Arrests
Felony Convictions
Home Telephone

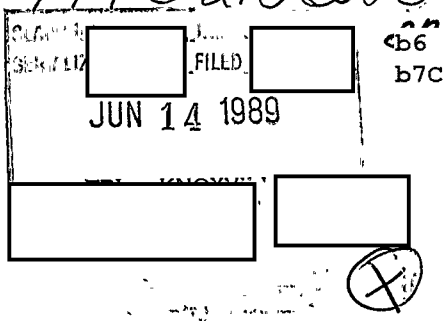
[redacted]

Special Agent (SA) [redacted] was present and assisted in this interview.

b6
b7C
b7E

Original in 194C-215 Sub B

194C-215 Sub B



b6
b7C

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CHATT. SSRA [redacted] Initials

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 6/17/89

[redacted] (protect identity) was interviewed at [redacted] He had been interviewed previously and was aware of the identity of the interviewing agents and the purpose of the interview. He advised as follows: b6 b7C b7D

[redacted] b6 b7C b7D

Investigation on 5/31/89 at [redacted] File # KX194C-215 Sub B b6 b7C b7D

by SA [redacted] Date dictated 5/31/89

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

 b6 b7C b7D

[redacted] b6 b7C b7D

SA [redacted] was present and assisted in this interview. b6 b7C b7E

U.S. Department of Justice

United States Attorney

Eastern District of Tennessee

Post Office Box 872
Knoxville, Tennessee 37901
615/673-4561 FTS/854-4561

Field Offices:
359 Federal Building
Chattanooga, Tennessee 37402
615/752-5140 FTS/856-5140

115 U. S. Courthouse
Greeneville, Tennessee 37743
615/639-6759

June 26, 1989 [redacted] b6 b7C

Special Agent [redacted] b6 b7C
Federal Bureau of Investigation
1605 Republic Tower
Chattanooga, Tennessee 37405

Re: [redacted]

Dear [redacted] b3 b6 b7C

Your name has been disclosed to the United States District Court for the Eastern District of Tennessee as a person who has been and will be given access to materials, including documentary and testimonial evidence, obtained through the powers of a Federal Grand Jury impaneled in Chattanooga, Tennessee, on [redacted] regarding [redacted]

In accordance with Rule 6(e)(3)(A)(ii), Federal Rules of Criminal Procedure, you are being given access to these materials for the sole purpose of assisting the government attorneys involved in the Grand Jury investigation in the performance of their duty to enforce federal criminal law.

The Grand Jury investigation is criminal in nature, and Grand Jury proceedings are secret. The unauthorized disclosure of Grand Jury matters is punishable by contempt proceedings. Grand Jury matters include the identities of witnesses, their testimony, and the nature and content of documents and physical evidence obtained through the Grand Jury investigation.

No Grand Jury material may be disclosed or used for any civil or administrative purpose or for any purpose other than for the Grand Jury investigation, except by order of the Court. 194C-215 Sub E-28

[redacted] b6 b7C

CHATT. SSRA [redacted]
Initials

[redacted]

SA [redacted] June 26, 1989 b6 b7C

Please sign and return the original of this letter in the enclosed envelope.

Very truly yours,

JOHN W. GILL, JR.
United States Attorney

[redacted] b6 b7C

Assistant U.S. Attorney

[redacted]
Enclosures

I hereby certify that I have been fully advised and understand the restrictions on the Grand Jury secrecy requirements imposed by Rule 6, Federal Rules of Criminal Procedure. Any and all matters occurring before the Grand Jury are secret and cannot be disclosed and knowing violations of Rule 6 may be punished as a contempt of court.

SA [redacted]

Date

Original signed by SA [redacted] b6 b7C

Memorandum

To : SAC, KNOXVILLE (194C-215)(P) Date 7/19/89

From : SA [redacted] b6 b7C b7E

Subject: [redacted]

During May, June, and July numerous meetings were conducted by Assistant United States Attorney (AUSA) [redacted] b6 b7C b7E [redacted] regarding prosecutive status of subjects of subfiles in captioned matter and Federal grand jury proceedings updates of testimony. In attendance at these meetings were AUSA [redacted] and writer, and on some occasions, attorneys for the defendants and the defendants/subjects.

The following is a summary prosecutive/investigative status of subfiles in captioned matter:

Subfile B (CARPETBAG THEATER bingo game)

[redacted] (protect identity) and [redacted] b6 b7C b7D

[redacted]

[redacted] (protect identity) is a cooperating witness in this case and has worn a recording device. b6 b7C b7D

[redacted] (protect identity) is also a cooperating witness who [redacted] AUSA [redacted] has [redacted] b5 b6 b7C b7D

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2 - 194C-215 Sub B
2 - 194C-215 Sub D
2 - 194C-215 Sub E
2 - 194C-215 Sub F
2 - 194C-215 Sub G
2 - 194C-215 Sub H
2 - 194C-215 Sub I
2 - 194C-215 Sub J
2 - 194C-215 Sub k
[redacted]
(20) [redacted]

194C-215 Sub E - 29

[redacted] b6 b7C

JUL 19 1989

[redacted]

Subfile D

AUSA [redacted] has received bank records pertaining to the loan obtained by [redacted] cosigned by [redacted] however, is delaying prosecutive opinion until investigation in Murfreesboro, Tennessee (Memphis Division), is complete. b6 b7C

Subfile E (KNIGHTS OF PYTHIAS/BETA SIGMA PHI bingo game)

[redacted] is on hold in the Federal grand jury; however, [redacted] has indicated through his attorney to AUSA [redacted] that he intends to enter guilty pleas. b3 b6 b7C

[redacted] (protect identity) has [redacted] b6 b7C b7D

The investigation regarding [redacted] is continuing as is Federal grand jury testimony regarding [redacted] b3 b6 b7C

Subfile F (FELLOWSHIP MISSIONARY BAPTIST CHURCH bingo game)

[redacted] (protect identity), who is a cooperating witness in this investigation, and [redacted] have [redacted] b6 b7C b7D

Subfile G (DIDASKO MINISTRIES, INC., bingo game)

[redacted] also known as [redacted] has entered guilty pleas to FBI and IRS charges filed in the Eastern District of Tennessee at Chattanooga, Tennessee, and AUSA [redacted] has advised that she will be sentenced by U. S. District Judge EDGAR in August 1989. b6 b7C

Subfile H (AMVETS/COMPREHENSIVE ENGINEERING bingo game)

[redacted] b5 b6 b7C

A decision regarding the prosecution of [redacted] the second subject in this bingo game, has not been made by AUSA [redacted] b6 b7C

Subfile I (SOUTH LINCOLN COUNTY RECREATION bingo game)

[redacted] of Fayetteville, Tennessee, has entered guilty pleas in U. S. District Court, Chattanooga, Tennessee, on FBI and IRS charges and will be sentenced by U. S. District Judge EDGAR in August 1989. b6 b7C

Subfile J (UNITED SCHLERODERMA FOUNDATION bingo game)

[redacted] are subjects of this file which was recently opened. b6 b7C

Records regarding this operation were obtained from TENNESSEE ALCOHOL BEVERAGE CONTROL in Nashville, Tennessee, on June 22, 1989, by [redacted] and writer. These files are being reviewed to obtain names and addresses of a number of former employees to be interviewed. b6 b7C b7E

Subfile K (GOLDEN GLOVES/IMPROVED ORDER OF REDMEN bingo game)

[redacted] are subjects of this recently opened file to be investigated with [redacted] b6 b7C b7E

Main File

[redacted] are awaiting sentencing before U. S. District Judge EDGAR. No date has been set for their sentencing. b6 b7C

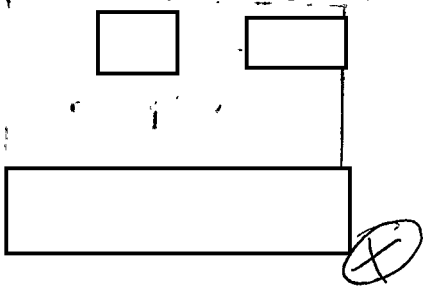
Investigation in above cases is continuing with the next grand jury scheduled for [redacted] in Chattanooga, Tennessee. Frequent meetings will continue with AUSA [redacted] to keep him updated and to follow the Federal grand jury proceedings. SAS [redacted] and SA [redacted] have been designated "agents" of the grand jury in this ongoing joint investigation. Recent interviews and cooperating witness statements have indicated a possibility of [redacted] These possibilities are currently being pursued by SA [redacted] and writer. b3 b6 b7C b7D b7E

194C-215 -Sub E -30

b6
b7C

CHATT. SSRA [redacted]

Initials



FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/8/89

[redacted] who resides at [redacted] [redacted] voluntarily appeared at the Chattanooga Office of the FEDERAL BUREAU OF INVESTIGATION where he was interviewed by Special Agent [redacted] and [redacted] [redacted] After he was advised of the identities of the interviewing agents and the purpose of the interview, he advised as follows: b6 b7C b7E

He first became involved with a bingo operation in 1983 or 1984 when he was employed by [redacted] at the AMVETS bingo game located at 2805 East 50th Street in Chattanooga. His main employer at this time was the CHATTANOOGA POLICE DEPARTMENT, and he went to work at the bingo hall to supplement his income. [redacted] hired him as a security guard to watch the parking lot while the bingo games were being conducted. He was paid $50 in cash each night he worked, which was three nights a week. Some times he was paid by [redacted] other times he was paid by either [redacted] or [redacted] both of whom worked in the office of the bingo hall. He did not receive an IRS W-2 Form for his wages, and he was not a member of AMVETS prior to being employed. The AMVETS Post which operated this bingo game was post number 37. He did not receive any instructions regarding the reporting of his income to IRS. In addition to guarding the parking lot, he also guarded [redacted] on the way to his automobile at the end of the night. He assumed that [redacted] was carrying the cash receipts from the bingo game. Some time in 1983 or 1984, [redacted] became employed at this bingo hall as a janitor. b6 b7C

In 1985 or 1986, [redacted] bought a new building at 4810 Rossville Boulevard in Chattanooga where he opened up a bingo game under the charter of the Fraternal Order of Police (FOP) (Hamilton County). [redacted] was also in charge of the operation of this bingo hall and most of the employees were the same ones who had worked at 2805 East 50th Street. [redacted] continued her duties in the office as secretary. She also worked at the counter selling bingo cards and in the office counting money. [redacted] continued to work as security at this new location for a short period of time. [redacted] asked him if he wanted to learn b6 b7C

Investigation on 8/22/89 at Chattanooga, Tennessee File # KX194C-215SubB

by SA [redacted] Date dictated 8/24-29/89 b6 b7C

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 b6 b7C

about the management of a bingo game, and [redacted] was brought inside as a floor supervisor. In this position, he supervised the girls who worked the floor during the bingo games. He continued to receive $50 in cash per night. He did not receive a W-2 Form for his wages. He recalls hearing [redacted] tell the employees that they were volunteer workers who did not get paid, even though all the workers were being paid. [redacted] may have been a member of the FOP but he did not pay any dues and did not attend any meetings. Some time in 1986, this bingo game changed charters and was operated under the charter of the Firefighters Union. [redacted] left Chattanooga to go to Texas and [redacted] was placed in charge. [redacted] continued his same duties under [redacted] and his pay remained the same. He does not recall [redacted] giving any instructions regarding salary. b6 b7C

The callers at this bingo game were [redacted] When [redacted] was not present, [redacted] was in charge of the game but she could not make any decisions without [redacted] approval. b6 b7C

During this period of time, [redacted] was taught how to count the nightly receipts which were locked in a safe on the premises. The nightly cash receipts ranged from $1,500 to $6,000. The employees were paid on a nightly basis. The proceeds of the bingo game were turned over to [redacted] came into the bingo hall occasionally and [redacted] would give him money. Sometimes [redacted] and [redacted] would meet [redacted] at Lovell Field, Chattanooga's airport, where [redacted] would give [redacted] money in a bag. He does not know the amount of money [redacted] gave to [redacted] was given money every two or three weeks. [redacted] flew into the airport in a single engine plane with a pilot whose name was not known. [redacted] would usually place the bag containing money in the airplane. b6 b7C

[redacted] does not know what [redacted] was paid for his duties. b6 b7C

In January, 1986, [redacted] left the bingo hall at 4810 Rossville Boulevard and began work at the Access Road bingo hall which was being operated by [redacted] for [redacted] under the Scleroderma Foundation Charter. [redacted] took [redacted] place and became the manager of this bingo hall. He did this at the specific request of [redacted] was the sponsor for the bingo game for the Scleroderma Foundation; however, she also worked there selling tickets and running the regular bingo program. [redacted] went to Kentucky to operate a bingo game there for [redacted] and [redacted] b6 b7C

b6
b7C

the employees were being paid in cash.

[redacted] paid [redacted] $1,000 by check each month for use of the Scleroderma Foundation Charter.

b6
b7C

[redacted] counted the receipts and took [redacted] the money which was left after enough was deposited to cover expenses. Sometimes he met [redacted] at the Holiday Inn - Trade Center in Chattanooga, and sometimes [redacted] would come to the bingo hall and pick up his money.

b6
b7C

Each time [redacted] received cash, [redacted] made a notation in his notebook of the date and the amount of money that [redacted] received. [redacted] kept this notebook, and the following payments to [redacted] are recorded in this notebook:

b6
b7C

$2,000	2/20/86
$5,000	2/27/86
$6,000	3/29/86
$11,000	5/4/86
$3,000	5/27/86
$2,000	5/31/86
$7,500	7/3/86
$5,000	7/14/86
$6,500	8/7/86

A xerox copy was made of the above figures. The $11,000 payment was made at the bingo hall. Some payments may also have been made at the Ramada Inn on 23rd Street. [redacted] also passed money to [redacted] at the Rossville Boulevard bingo hall. [redacted] did not want [redacted] to know too many details, but she knew that [redacted] owned the bingo operation. [redacted] was paid $50 per night for three nights plus a $50 bonus. She was paid a total of $200 per week.

b6
b7C

[redacted] left this bingo hall in August or September of 1986, at which time [redacted] went to Access Road as the manager.

b6
b7C

[redacted] had several other bingo games in Memphis, Tennessee; Red Bank, Tennessee; Kentucky, North Carolina and South Carolina. [redacted] had heard that [redacted] paid $60,000 to [redacted] for the Beta Sigma Phi bingo game in Red Bank, Tennessee.

b6
b7C

[redacted] recalled that the callers at the Access Road bingo hall were [redacted] (phonetic) and [redacted] who were paid $40 per night. The floor workers were paid $30 per night. The checking account for this bingo hall was located at the AMERICAN NATIONAL BANK and the accountant was [redacted]

b6
b7C

b6
b7C

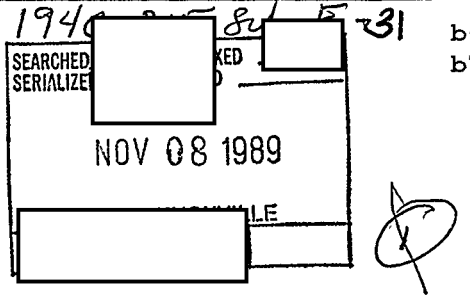
The following is descriptive data regarding [redacted]

b6
b7C

Full name
Sex
Race
Date of birth
Place of birth
Social Security
  Account Number
Marital status
Wife's name
Residence

Telephone number
Occupation

[redacted]



b6
b7C

Index

CHATT. SSRA

Initials

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/8/89

[redacted] voluntarily appeared at the Chattanooga office of the FEDERAL BUREAU OF INVESTIGATION (FBI) where he was advised of the identity of the interview agents, Special Agent (SA) [redacted] FBI, and SA [redacted] and the purpose of the interview. He advised as follows: b6 b7C b7E

In 1983 [redacted] and [redacted] formed a partnership called [redacted] for the purpose of operating a bingo game under the KNIGHTS OF PYTHIAS (K of P) charter in Red Bank, Tennessee. They purchased a number of used tables and other bingo equipment from an unrecalled source. [redacted] was a member of K of P, and he, [redacted] and [redacted] who was also a member of K of P, made all the arrangements. [redacted] and [redacted] were supposed to make a $600-$800 profit per month in the operation of this bingo hall but actually made only a $200 profit per month. A certified professional accountant, (FIRST NAME UNKNOWN) HAZELWOOD (since deceased), handled all of the accounting and tax work for [redacted] claims to not have been involved in the chartering of this bingo game. b6 b7C

[redacted] assisted [redacted] in the operation of the K of P bingo game in 1983 but did not help much at all after 1983. He insisted that [redacted] and [redacted] took care of everything at the bingo hall. b6 b7C

[redacted] knew some of the bingo workers, but he does not recall if they were members of K of P. b6 b7C

[redacted] worked at this bingo game on a regular basis. She counted bingo cards, took up and counted money, and she was also in charge of the floor workers. A night deposit was usually made at the COMMERCE UNION BANK in Rossville, Georgia, where [redacted] maintained an account. This deposit was made by [redacted] or one of his assistants. b6 b7C

[redacted] worked at the front window paying out prizes. He did not get paid for this work. He was unaware of other workers getting paid. He does not know who was the bookkeeper or b6 b7C

Investigation on 10/30/89 at Chattanooga, Tennessee File # KX194C-215 Sub E

by SA [redacted] Date dictated 11/2/89 b6 b7C

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b6
b7C

who filled out the bingo reporting forms which were supposed to be sent to the Tennessee Secretary of State in Nashville, Tennessee.

[redacted] handled all the paperwork regarding [redacted] was paid $200 per month from the K of P bingo account. Neither [redacted] nor [redacted] took any salary out of the [redacted] account.

b6
b7C

In 1987 [redacted] and [redacted] quit the bingo operation and donated the bingo equipment to the K of P.

b6
b7C

[redacted] does not know [redacted] He never met him. He does not know [redacted]

The records of [redacted] may be in the possession of [redacted] or [redacted] who has an office on Brainerd Road near North Moore Road, or the records may be with HAZELWOOD BOOKKEEPING SERVICE at Third and Market Street. [redacted] believes his personal tax records may be located at HAZELWOOD BOOKKEEPING SERVICE.

b6
b7C

[redacted] did not tell [redacted] the amount received in selling the bingo game.

b6
b7C

[redacted] met [redacted] at the lounge located in the HOWARD JOHNSON'S MOTEL in Chattanooga on several occasions. He had a few drinks with [redacted] and knew [redacted] was involved in bingo. He does not know in which bingo games [redacted] was involved.

b6
b7C

The following is a description of [redacted] obtained through observation and interview:

b6
b7C

Name
Address

Occupation

Date of birth
Place of birth
Social Security
Account Number
Marital status

KX194C-215 Sub E

 b6 b7C

Hair
Arrests

Convictions

Education

[redacted] b6 b7C

FD-36 (Rev. 8-29-85)

FBI

TRANSMIT VIA:
☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:
☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:
☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 11/13/89

TO : SAC, COLUMBIA

FROM : SAC, KNOXVILLE (194C-215)(SUB B)(P)

SUBJECT: [redacted] b7E
OO: ME

Re Memphis teletype to Director, dated 9/1/89.

For information of Columbia, the Federal Grand Jury, Eastern District of Tennessee, Chattanooga, Tennessee, is expected within the next few months to return a multi-count indictment charging [redacted] b6 b7C

[redacted] This is in connection with the operation of illegal bingo games in the vicinity of Chattanooga, Tennessee. Several individuals have already entered guilty pleas in the United States District Court, Eastern District of Tennessee, Chattanooga, Tennessee, and some have been sentenced.

AUSA [redacted] Eastern District of Tennessee, Chattanooga, Tennessee, has indicated that [redacted] b5 b6 b7C

As Columbia Division may be aware, captioned matter, which includes the corruption of state and local public officials in the state of Tennessee, is a joint investigation involving FBI, [redacted] b7E

2 - Columbia
1 - Memphis (194C-407)(Info)
3 - Knoxville (2 - 194C-215)(Sub B)
(1 - 194C-215)(Sub E)

[redacted] b6 b7C
(6) [redacted]

194C-215 Sub E-32

Approved: _____ Transmi [redacted] Number) (Time) Per _____

SEARCHED [redacted]
SERIALIZ [redacted]
INDEXED [redacted]
FILED [redacted]

SA [redacted], Columbia, South Carolina, is knowledgeable concerning [redacted] and his assets, including [redacted] home, lake house, other real estate, a horse farm, an airplane, and two (2) or more luxury automobiles. b6 b7C b7E

The following is identifying data regarding [redacted]: b6 b7C

Full Name
Sex
Race
Date of Birth
Place of Birth
Social Security
Account Number
Home Address

[redacted]

LEADS

COLUMBIA DIVISION

AT COLUMBIA, SOUTH CAROLINA

Contact SA [redacted] regarding additional information on [redacted] and his assets. b6 b7C b7E

AT SUMTER, SOUTH CAROLINA

1. Discreetly verify and photograph, if possible, real estate and vehicles owned by [redacted] and determine the value of the property through the Register of Deeds. b6 b7C

2. Conduct credit and arrest checks.

3. Ascertain, at appropriate county courthouse, any encumbrances on [redacted] property and vehicles. b6 b7C

4. Determine other possible sources of income for [redacted] (It has been intimated [redacted] is involved with massage parlors and adult bookstores, as well as illegal bingo.) b6 b7C

Memorandum

To : SAC, KNOXVILLE (194C-215 Sub E) (P) Date 1/12/90

From : SA [redacted] b6 b7C b7E

Subject: [redacted]

In addition to meetings in November and December, 1989, with [redacted] attorney for subject [redacted] on 1/9/90, another meeting was held in AUSA [redacted] office with the following in attendance: b6 b7C

[redacted] and his attorney, [redacted] b6 b7C b7E
assistant; SA [redacted] and [redacted]

[redacted] b5 b6 b7C

Investigation continuing.

(2) - Knoxville

[redacted] b6 b7C

(2) [redacted]

194C-215 Sub E-3

[redacted] b6 b7C

JAN 12 1990

[redacted]

CHATT. SSRA [redacted]
Initials

1-221 (Rev. 6-24-83)

U. S. DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D. C. 20537

TO: FEDERAL BUREAU OF INVESTIGATION
KNOXVILLE, RA-CHATTANOOGA, TENNESSEE
ATTN: SA [redacted]

Date 1-10-90

b6
b7C

Your inquiry 1-9-90

RE: YOUR INQUIRY OF RECORD FOR [redacted] MAYBE IDENT WITH [redacted] FBI NUMBER [redacted]

b6
b7C

- [X] Attached furnished in reply to your inquiry.
- [ ] Attached furnished in compliance with request from
- [ ] Only record(s) available attached.
- [ ] This matter is receiving attention and you will be advised at an early date.
- [ ] Supplementing FBI Laboratory report dated
- [ ] The attached records are furnished since there is a possibility that one may pertain to the subject in whom you are interested.
- [ ] Fingerprint files fail to disclose

- [ ] Confirming FBI wire of
- [ ] A wanted notice has not been placed as subject appears to be in custody. Clear or cancel (CW or XW) your NCIC Wanted Person record.
- [ ] When you no longer desire your notice maintained, please advise.
- [ ] If you determine subject to be in custody, please advise so that your notice may be canceled.
- [ ] Subject of your inquiry searched in name indices only. Enclosed record(s) possibly identical. If identical, resubmit request and wanted (or flash) notice will be placed.
- [ ] If it is determined that the subject of this record is not the individual in whom you are interested, please advise.
- [ ] Your communication is returned.
- [ ] For your information, most court authorities take judicial notice of the FBI Identification Record and accept it as the valid arrest record of an individual, as maintained by the Federal Bureau of Investigation, without requiring a certification. However, if deemed necessary or if an agency/department is acting under instructions of a court to obtain a certified copy of an identification record, the FBI will honor such a request.
- [ ] The attached is furnished in compliance with your telephonic request of
- [ ]

- [X] Enc.

- [ ] Copy to:

194C-215 Sub E-34

b6
b7C

[redacted]

Identificat[redacted]

CHATT. SSRA [redacted] tials

FBI/DOJ

Memorandum

To : SAC, KNOXVILLE (194C-215 SUB E) (P) Date 1/30/90

From : SA [redacted] b6 b7C b7E

Subject: [redacted]

On 1/9/90, a meeting was held in AUSA [redacted] office with the following individuals were also present during the interview:

AUSA [redacted] b6 b7C b7E
Attorney [redacted]
Attorney [redacted]
[redacted] (subject)
[redacted]
SA [redacted]

[redacted] b5 b6 b7C

2 - 194C-215 SUB E

194C-215 Sub E-35

[redacted] b6 b7C
(2)

[redacted]

[redacted]

CHATT. SSRA [redacted]
Initials

X

Memorandum

To : SAC, KNOXVILLE (194C-215 SUB E) (P) Date 1/30/90

From : SA [redacted] b6 b7C b7E

Subject: [redacted]

On 1/23/90, [redacted] b6 b7C
was interviewed in the office of Attorney [redacted] She was b7E
interviewed by [redacted] and writer. The following
individuals were also present during the interview:

Attorney [redacted] b6 b7C
Attorney [redacted]

[redacted] was cooperative during the interview and b6 b7C
provided information relating to the Knights of Pythias and Beta
Sigma Phi bingo games in Red Bank, Tennessee. Results of this
interview are being reported by SA [redacted]

(2)- 194C-215 SUB E

[redacted] b6 b7C
(2)

194C-215 Sub E-36

[redacted]

CHATT. SSRA [redacted]
Initials

[redacted]

(X)

FD-302 (Rev. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

- 1 -

Date of transcription 1/29/90

[redacted] voluntarily appeared at the Chattanooga Office of the FEDERAL BUREAU OF INVESTIGATION (FBI) where he was interviewed by Special Agent (SA) [redacted] and [redacted] was accompanied at this interview by his Attorneys, [redacted] and [redacted] With regard to his involvement in the operation of an illegal bingo game in Red Bank, Tennessee, he advised as follows:

In 1983, he and [redacted] were living in [redacted] and he was working for [redacted] In January or February of 1983, [redacted] told him she wanted to play bingo. They went to a bingo hall on Ringgold Road in East Ridge, Tennessee. This bingo hall was being operated by [redacted] They asked questions of several bingo players and also spoke with [redacted] who ran a bingo hall on 23rd Street in Chattanooga. [redacted] told them to talk to [redacted] an attorney, about the legalities of operating a bingo hall. [redacted] told them it was legal if the operator was not a member of the charitable organization which sponsored the bingo game, and the bingo equipment was leased to the organization. He also talked to [redacted] about bingo. [redacted] eventually rented a building in DAYTON PLAZA in Red Bank. This building was [redacted] told [redacted] about the Knights of Pythias (KOP). [redacted] was the KOP commander. [redacted] and a committee from KOP talked with [redacted] again, and [redacted] made application to the State of Tennessee for a charter to conduct a bingo game. [redacted] and [redacted] became partners and formed [redacted] a joint venture. They dealt mainly with [redacted] and LEWIS BRADFORD (now deceased) of the KOP Lodge, which was located in Harrison, Tennessee. It was very difficult obtaining the bingo permit from the State of Tennessee, and during this time [redacted] was paying $3,00 a month in rent for the building. Prior to obtaining the permit, they had spent approximately $10,000. KOP was guaranteed $200 a night from the bingo proceeds even though KOP provided only two or three people to work at the bingo game. [redacted] hired some workers, and the KOP bingo game began operation on October 15, 1983. Most workers were not members of KOP and they were paid in cash even though all bingo workers were supposed to be

b6
b7C

b6
b7C

Investigation on 1/17/90 at Chattanooga, Tennessee File # KX-194C-215 Sub E -37

by SA [redacted] Date dictated 1/18 & 24/90

b6
b7C

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b6
b7C

volunteers. Neither [redacted] nor [redacted] were members of KOP. He reiterated that the workers also were not members of KOP as were stated on the bingo application forms which were sent to the State of Tennessee. [redacted] handled all of the paper work associates with the bingo operation and told the bingo workers what to put on the application forms. However, [redacted] knew the workers were not KOP members and that the workers were being paid in cash. [redacted] also participated in the operation of the bingo game, shared in the profits of the operation, and paid cash wages t the workers.

[redacted] and [redacted] planned to earn $2,500 a month from the bingo game, but did not. [redacted] went $14,000 in arrears almost immediately.

Three bank accounts were opened for the bingo operation; for KOP, one for [redacted] and one for DAYTON PLAZA BINGO. The latter was used initially to pay expenses and later as a "clearing house" for patrons' checks. [redacted] and [redacted] invested about $14,000 each, and recouped their initial investment in 1984. Deposits were made and checks were written by both [redacted] and [redacted] After 1985, [redacted] was not there very much, but he continued to shire in the profits. [redacted] worked at the bingo hall and continued to work there through at least part of 1985 when she quit.

In April, 1984, a sum of money had accumulated in the [redacted] account, and $10,000 each was taken out in cash by [redacted] and [redacted] Later on in 1984, they split another $12,000-$15,000. [redacted] wanted to keep more money in cash than [redacted] wanted in cash - 1984 was a disaster; very little profit was realized.

The workers at this bingo hall were paid an average of $25 per night. [redacted] and [redacted] until 1986, did not get paid for each night they worked.

They joined [redacted] bingo association late in 1984 and association dues of $200 per month which was later increased to $500 per month. These dues were paid in cash.

[redacted] could not recall taking any money out of the game during 1985. In 1985, [redacted] and [redacted] split about $30,000 ($15,000 each). This money which was taken out of cash accumulated but not deposited into the [redacted] account, was not

b6
b7C

listed as income on the Federal income tax returns of [redacted] or [redacted] IN 1987, no money was split. In 1986 and 1987, [redacted] who was operating the ACCESS ROAD bingo game, put a lot of pressure on [redacted] and [redacted] to close their bingo game.

Sometime in 1987, [redacted] told [redacted] he had a buyer for the KOP bingo game if [redacted] wanted to sell. [redacted] agreed to sell, and [redacted] set up a meeting between [redacted] and [redacted] at the WAFFLE HOUSE RESTAURANT in Red Bank, Tennessee. It was agreed that [redacted] and [redacted] would sell the bingo game to [redacted] for $75,000; this included the equipment, accommodations and concessions. There was no written agreement. A second meeting was held with [redacted] at the KOP bingo hall. [redacted] made some long distance telephone calls and came back with $50,000 in cash in a shoe box. He wrote a receipt for $50,000 ($25,00 to be paid later) on a piece of paper. Out of this $50,000, [redacted] paid [redacted] who owned the concession stand with [redacted] $7,500 for one half interest in the concession stand. [redacted] also received $7,500, which represented his half of the concession stand. Later [redacted] met with [redacted] and [redacted] and gave them the $25,000 in cash which was owed. [redacted] and [redacted] split up their money in cash. [redacted] kept his share at his residence, and used it to pay for college education for his two sons and complete some brick work on his house. Some of the money which was taken out of [redacted] in 1986 was used to build his house.

In 1985 [redacted] assisted a sorority, BETA SIGMA PHI (BSP, in obtaining a bingo permit. BSP members [redacted] and [redacted] were interested in operating a bingo game. When the KOP bingo game was sold, it was understood that [redacted] would operate the bingo game under the BSP charter, and that [redacted] would deal directly with [redacted] and [redacted]

[redacted] freely admitted that the W-2 forms provided to workers were incorrect, and also the financial statements sent to the State of Tennessee were also incorrect.

Regarding the concession stand in the KOP bingo hall, [redacted] stated in 1983 he met with [redacted] concerning security for the bingo hall. [redacted] sid [redacted] had worked in a bar and restaurant, and wondered if [redacted] would allow her to

b6
b7C

operate the concession stand. A concession stand was built and [redacted] ran it for the owners, [redacted] who had obtained a license for stand. The concession stand was operated separately from the bingo game. [redacted] ANGELA CAGLE and other young people ran the concession stand. In 1986, both [redacted] and [redacted] wanted to get out of the concession stand business sin 1986. [redacted] and [redacted] bought out [redacted] and [redacted] interest in the stand for $7,500. [redacted] was paid first and later [redacted] was paid his $7,500.

The concession stand workers were paid out of concession profits. [redacted] usually came by the bingo hall in person to pick up cash from his share of concession profits.

Concerning his earnings form the bingo game in July, 1986, [redacted] began paying himself $74 per night in check and cash. In July, 1986, he began paying [redacted] $50 a night in check and cash. [redacted] made the payments to the bingo workers.

According to [redacted] always carries a small pistol in a pocket. [redacted] knew that the bingo workers were not members and that they were paid in cash. [redacted] participated fully in the operation of the bingo game, and also shared in the profits.

The following is descriptive date regrading JACKSON:

Full Name	[redacted]
Sex	
Date of birth	
Place of birth	
Social Security Account Number	
Height	
Weight	
Hair	
Eyes	
Scars, tattoos	
Residence	

b6
b7C

Occupation

Education
Arrests
Convictions
Wife
Children

[redacted]

b6
b7C

At the conclusion of this interview, [redacted] advised that he would take a polygraph examination, if necessary.

b6
b7C

194C-215 Sub E-37

b6
b7C

[redacted]

[redacted]

CHATT. SSRA [redacted]
Initials

(X)